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INDEX AND SUMMARY OF S. J. RES. 162

- Feb. 13, 1958      Sens. Humphrey and Aiken introduced S. J. Res. 149 which was referred to the Senate Agriculture and Forestry Committee. Print of resolution.
- Sens. Humphrey and Symington introduced S. J. Res. 150 which was referred to the Senate Agriculture and Forestry Committee. Remarks of Sen. Humphrey. Print of resolution.
- Mar. 6, 1958        Senate committee ordered reported an original joint resolution (S. J. Res. 162).
- Mar. 7, 1958        Senate committee reported S. J. Res. 162. Senate Report No. 1355. Print of bill and report.
- Mar. 10, 1958       Digest of Senate report.
- Mar. 12, 1958        Senate made S. J. Res. 162 its unfinished business, and agreed to limit debate.
- Mar. 13, 1958        Senate passed S. J. Res. 162 without amendment.
- S. J. Res. 162 was referred to the House Committee on Agriculture.
- Mar. 17, 1958        House committee ordered S. J. Res. 162 reported with amendment.
- Mar. 18, 1958        House committee reported S. J. Res. 162 with amendments. H. Report No. 1508. Print of bill and report.
- Mar. 19, 1958        Rules Committee reported resolution for consideration of S. J. Res. 162. H. Res. 505, H. Report No. 1534.
- Mar. 20, 1958        House passed S. J. Res. 162 as reported.
- Mar. 21, 1958        Senate agreed to House amendments to S. J. Res. 162.
- Mar. 25, 1958        Various Representatives and Senators discussed S. J. Res. 162.
- Mar. 27, 1958        Sen. Johnson inserted his letter to the President, including a statement by Majority Policy Committee.
- Mar. 31, 1958        Senate received President's Veto Message on S. J. Res. 162. Senate Document No. 85. Print of document. Discussion of Senators on veto message.
- Apr. 17, 1958        Veto message was referred to Senate Agriculture and Forestry Committee.





DIGEST OF SENATE JOINT RES. 162

PRICE SUPPORT AND ACREAGE ALLOTMENT FREEZE. S. J. Res. 162, to provide that the support price for any commodity, except tobacco, would not be reduced below the 1957 level for the marketing year or season beginning in 1958, and that for 1959 crops the total acreage allotted to any commodity, except tobacco, would not be reduced below the total acreage allotted to such commodity for 1957.







85TH CONGRESS  
2D SESSION

# S. J. RES. 149

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## IN THE SENATE OF THE UNITED STATES

FEBRUARY 13 (legislative day, FEBRUARY 10), 1958

Mr. HUMPHREY (for himself and Mr. AIKEN) introduced the following joint resolution; which was read twice and referred to the Committee on Agriculture and Forestry

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## JOINT RESOLUTION

To stay any reduction in support prices for dairy products until Congress can make appropriate provision for such support prices.

1       *Resolved by the Senate and House of Representatives*  
2   *of the United States of America in Congress assembled,*  
3   That in order to prevent reductions in support prices for  
4   dairy products prior to consideration by Congress of such  
5   changes in the price support law as may be necessary at  
6   this time, the support prices (in terms of dollars and cents)  
7   for whole milk, butterfat, and the products of such com-  
8   modities, respectively, shall not be reduced below those made  
9   available during the marketing year which began in 1957.

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## **JOINT RESOLUTION**

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To stay any reduction in support prices for dairy products until Congress can make appropriate provision for such support prices.

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By Mr. HUMPHREY and Mr. AIKEN

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FEBRUARY 13 (legislative day, FEBRUARY 10), 1958  
Read twice and referred to the Committee on  
Agriculture and Forestry

- 1 This resolution shall be effective only until such time as
- 2 Congress shall make other provision for such price supports
- 3 and provide for the repeal of this resolution.



# S. J. RES. 150

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## IN THE SENATE OF THE UNITED STATES

FEBRUARY 13 (legislative day, FEBRUARY 10), 1958

Mr. HUMPHREY (for himself and Mr. SYMINGTON) introduced the following joint resolution; which was read twice and referred to the Committee on Agriculture and Forestry

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## JOINT RESOLUTION

To stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws.

1       *Resolved by the Senate and House of Representatives*  
2       *of the United States of America in Congress assembled,*  
3       That in order to prevent reductions in support prices or  
4       acreage allotments prior to consideration by Congress of such  
5       changes in the price support and acreage allotment laws as  
6       may be necessary at this time—

7               (1) the support price (in terms of dollars and  
8       cents) for any commodity shall not be less than that  
9       available for such commodity during the marketing year  
10       or season which began in 1957; and

1           (2) the total acreage allotted for any commodity  
2       shall not be less than that allotted for the 1957 crop of  
3       such commodity.

4       This resolution shall be effective only until such time as Con-  
5       gress shall make other provision for price supports and acre-  
6       age allotments and provide for the repeal of this resolution.

85TH CONGRESS  
2D SESSION

## S. J. RES. 150

### JOINT RESOLUTION

To stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws.

By Mr. HUMPHREY and Mr. SUMNERS

FEBRUARY 13 (legislative day, FEBRUARY 10), 1958  
Read twice and referred to the Committee on  
Agriculture and Forestry



curity Council was in answer to a question of mine. I now quote from page 3085 of the transcript.

Senator FLANDERS. Admiral, you have made a very clear distinction, it seemed clear to me, between tactical questions or problems and strategic problems, and you have, as I have understood you, made a clear case for leaving the tactical problems in the hands of the hands of the Joint Chiefs of Staff.

Do I understand that strategic problems would, in general, be within the area of the Secretary of Defense and the President?

Where does the responsibility for the solution of strategic problems rest?

Admiral NIMITZ. Senator, I think you have put your finger on a very important point that was foreseen in the writing of the National Security Act of 1947.

Strategical problems affect not only the military services, but the people of the country as a whole. They affect the Treasury, they affect the industry generally, they affect labor.

It was for that purpose to consider those problems that the National Security Act wrote as one of its first instruments, the National Security Council which was to be presided over by the President as frequently as he could, and—or by the Vice President, and it was to be composed of the Secretary of Defense, the Chiefs of the Armed Services, the Secretary of the Treasury, the Secretary of the Security Resources, National Security Resources Board.

Now that has disappeared from our act.

The National Security Resources Board was set up to associate all of the alphabetical agencies that existed during World War II engaged in the production of material, in the production of food, in the distribution of manpower, and all of that.

Those are—that man would be a very important person but it was never—that Security Council for the National Resources was never used.

But the strategic problems that you have in mind should be settled by discussion in the National Security Council with the Treasury represented, and any other cabinet head whose business is affected so that strategic decisions affect every part of the country.

Mr. President, at the time I heard those words of the Admiral it seemed to me that we here had the basic clue to reorganizing the Department of Defense. That conviction has grown with the intervening weeks. It is for that reason that I am here offering amendments to assign to the Council definitely the function of determining strategy under the President's direction, leaving tactical matters in the hands of the Chiefs of Staff of the three services with their interrelations coordinated by the Joint Chiefs. These tactical programs would be worked out in strict agreement with the strategic decisions handed down from the President through the National Security Council to the Secretary of Defense.

Before referring to the amendments in detail let me say that when I came to investigate Public Law 253, which was the National Security Act of 1947, I was astonished to find how little change was needed to effect this reorganization. In fact, it was almost as if that had been the intent of the act, which intent had failed simply by not having it expressed clearly enough. Let me now proceed to go over the proposed amendments point by point so as to show how little needs to be done if we accept the plans offered by Ad-

miral Nimitz in his testimony before the Preparedness Subcommittee.

First of all, there needs to be an addition to the duties assigned the National Security Council. The proposed amendment adds the Council should "determine defense strategy in its widest sense whether for cold war or active military operations, and whether in the military, political, or economic field of action, and to make recommendations to the President in connection therewith."

The next change suggested is in the membership of the National Security Council which sets up the Assistant Secretary of State for policy planning as an aide to the Secretary of State in his duties as a member of the Council. Since the major matters of strategy combine those of diplomacy and defense, the responsibility for diplomatic planning must be represented directly in the Council meetings.

Similarly, with the Secretary of Defense is included the Chairman of the Joint Chiefs of Staff as aide. This is to bring the military experience and point of view directly into the same consultations.

There is added to the duties of the Chairman of the Joint Chiefs of Staff, the requirement that he shall represent the Chiefs of Staff as aide to the Secretary of Defense in meetings of the National Security Council.

Mr. President, that seems to be the end of the changes required in the National Security Act. Each one of them is minor. But the accumulated effect of these minor changes makes a major change in the responsibilities for determining and carrying out national strategic policies. The National Security Council becomes the President's instrument for that purpose. The responsibility is located nowhere else. There is further added the responsibility in the Council for seeing to it that diplomacy and defense work to the same end.

Personally I feel exceedingly grateful to Admiral Nimitz for having brought this possibility to the attention of the Preparedness Subcommittee and thus to the Congress and to the Administration. In presenting this amendment I am glad to play my individual part in assuring that it shall have considered attention.

#### FULL ACREAGE RESERVE PROGRAM FOR 1958 CROPS

Mr. AIKEN. Mr. President, on behalf of the senior Senator from Kentucky [Mr. COOPER], I introduce, for appropriate reference, a bill to authorize the full acreage reserve program for the 1958 crops provided for by section 105 (c) of the Soil Bank Act.

I ask unanimous consent that a statement, prepared by the Senator from Kentucky, relating to the bill, be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 3280) to authorize the full acreage reserve program for the 1958 crops provided for by section 105 (c) of the Soil Bank Act, introduced by Mr.

AIKEN (for Mr. COOPER), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

The statement presented by Mr. AIKEN is as follows:

STATEMENT OF SENATOR JOHN SHERMAN COOPER, IN CONNECTION WITH HIS BILL TO AUTHORIZE THE FULL ACREAGE RESERVE PROGRAM OF THE SOIL BANK FOR 1958

Mr. President, briefly, the purpose of my bill is to restore the full acreage-reserve program of the soil bank for 1958 crops. It would do so by removing the limitation imposed last year, thereby authorizing the full amount of \$750 million provided in the basic act establishing the soil bank.

In the last session of Congress, a limitation of \$500 million was placed on the funds that the Secretary of Agriculture may use in carrying out the acreage reserve program of the soil bank for 1958 crops. I recall that this came about after the House of Representatives had voted to eliminate the acreage reserve program altogether, and to allow it no funds for the 1958 crop year. I believe it was at the insistence of the Senate that the program was continued, and that \$500 million—although less than the \$750 million that Congress authorized in the Soil Bank Act of 1956 for each of the following 4 years—was made available for 1958. I recall that on the evening the Senate passed the Agricultural Appropriations Act for 1958, I spoke on the floor of the Senate in support of the soil bank and adequate funds for it.

I believe neither the Department of Agriculture nor the Congress anticipated the widespread interest among farmers wishing to take part in the acreage reserve program this year—or the extent to which thousands of farmers would sign up for the soil bank. The Department of Agriculture can well be gratified by this enthusiastic, if unexpected, response. And it is my impression that, given adequate funds, the acreage reserve program may well show this year what it can accomplish toward fulfilling the hopes originally held for it by the Secretary of Agriculture and by the Congress.

It is already clear that in my own State and in many other States, for corn as well as for several other basic crops to which this program applies, the demand for soil-bank funds will far exceed the amount now available.

In recent weeks I have been in close touch with farm leaders, with the officials in my State and in the Department of Agriculture charged with the operation of this program, and with a great many farmers themselves, concerning this matter. I believe the problem is a serious one requiring immediate action by the Congress if the best interests of farmers and of our agricultural economy are to be safeguarded—and if thousands of farmers who have already signed up for this program, but for whom funds are not now available, are to be treated fairly and equitably under this major effort of our total farm program.

I hope that the Congress will act quickly to provide the additional funds which it is now apparent are needed.

More than half of Kentucky is in the commercial corn area, and farmers in 52 central and western Kentucky counties are entitled under the act to participate in the corn soil bank. I know that thousands of farmers expected to sign up for the corn soil bank this year and especially wish to do so in view of last year's crop failures and excessive rains which drowned out many of their crops and which in many cases resulted in soft or wet corn for which price support is not available.

I understand that hundreds of farmers lined up at county offices beginning at midnight on January 13, but many others be-



Heved that adequate funds were available and that they would have 8 weeks in which to sign up their corn land for the soil bank. However, the sign-up had to be closed rather abruptly after only 1 week because of lack of funds.

Even so, nearly \$11 million would be required to fulfill the contracts already offered Kentucky farmers in these few days. But the State allocation for corn in Kentucky is now only a little more than \$6 million. I know that a similar situation exists in a great many other States and in some to an even more serious degree.

Unless the Congress acts, thousands of farmers will be unable to take advantage of this helpful program. Furthermore, I am concerned that many of them will fail to understand why their neighbors' contracts have been accepted, whereas their own cannot be.

It is natural that a new program of this scope would take a year or two to become generally accepted and that it would need to pass its shakedown trials. It may be that this year will show the real value of the acreage reserve, particularly in view of the fact that the great majority of participating farmers are now soil banking their entire allotment. I believe this new approach will go far toward significantly reducing overproduction. In previous years the farmer often could put only part of his allotment into the soil bank and yields on the remaining portions may have turned out favorably. I suggest that the Congress may wish to look closely at the success of the acreage reserve this year before coming to any final decision as to how long it should be continued.

We know that a sound agricultural economy is essential to a growing and prosperous national economy. In connection with the President's economic statement yesterday, I suggest that the soil bank may also be a good place for additional efforts at this time, both in support of farmers' income and their long-range interests and in the interest of the Nation as a whole. An additional \$250 million in soil-bank funds this year might well have an important effect in combating the cost-price squeeze with which farmers are faced and in supporting our whole economy, which is still so closely related to a healthy agricultural economy.

In any event, I believe it is important that all our farmers be treated equitably under this and every farm program, and that all have a fair chance to participate in it.

#### SUPPORT PRICES FOR DAIRY PRODUCTS

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, two joint resolutions. One of them is on behalf of the Senator from Vermont [Mr. AIKEN] and myself, to prevent reduction in support prices of dairy products prior to consideration by Congress of such changes in price support laws as may be necessary at this time.

Mr. President, the Nation's dairy farmers are crying out to Congress to prevent Secretary Benson from further cutting dairy support prices April 1, under the misleading and unfounded pretext that it would lower milk prices to city consumers.

I want the record to show that the concern is nationwide, not just from great dairy States like Minnesota and Wisconsin. It is likewise bipartisan. Deep concern along the eastern seaboard has been reflected in statements of the senior Senator from Vermont [Mr. AIKEN] opposing the cuts. Similar evidence of concern now comes from the west coast.

California's Legislature opened its session on Monday, February 3. The first order of business was Senate Resolution No. 1—sponsored by 39 senators, calling upon Congress to block the dairy price cut. That resolution passed the California State Senate unanimously, and was concurred in by the assembly with only six dissenting votes. That is a tremendous mobilization of bipartisan sentiment from a great State. I hope Congress heeds its appeal.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the text of the California Senate Joint Resolution 1, as sent to me by John S. Watson of Petaluma, president of the Consolidated Milk Producers Association for San Francisco.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 1, relative to milk price supports

Whereas Secretary Benson of the United States Department of Agriculture has announced his intention on April 1, 1958, to lower the dairy price support to 75 percent of parity; and

Whereas such action will result in a reduction of income to our Nation's dairy farmers of \$250 million at a time when many are already facing grave economic conditions; and

Whereas California dairy farmers receive 40 percent of their income from milk on the basis of factory milk prices and the proposed lowering of supports will reduce dairy farm income in California by more than \$7 million in 1958 with the reduction affecting 40 percent of the milk supply produced in California; and

Whereas 70 percent of dairy producers in the State would be directly affected by such a change and the resultant consequences would also seriously affect the other 30 percent of the producers in this State; and

Whereas since 1954, dairy farmers at their own expense have greatly increased programs of research for new outlets and engaged in trade promotion of dairy products and the dairy industry and allied organizations have worked out a program of self-help for the dairy farmer; and

Whereas, legislation is now being proposed for consideration by Congress which would to a large extent eliminate the dairy farmers' problems: Now, therefore, be it

*Resolved by the Senate and Assembly of the State of California (jointly), That Secretary Benson of the United States Department of Agriculture be respectfully memorialized to withhold putting into effect any change in the existing dairy price supports until such time as the United States Congress has had an opportunity to study the problems of the dairy farmers and to consider and act upon proposed legislation to solve these problems; and be it further*

*Resolved, That the secretary of the Senate be directed to transmit copies of this resolution to the President and Vice President of the United States, the Secretary of the United States Department of Agriculture, and to each Member of Congress representing the State of California.*

Mr. HUMPHREY. Mr. President, as an indication of the feelings in the Midwest, I also ask unanimous consent to have printed in the RECORD a letter from Gov. Orville Freeman, of Minnesota, voicing a similar appeal.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF MINNESOTA,

St. Paul, Minn., January 31, 1958.

Hon. HUBERT H. HUMPHREY,

United States Senate,

Washington, D. C.

DEAR HUBERT: I have been deeply disturbed by two recent developments in the field of dairy farming and earnestly hope that the Congress will see fit to take remedial action concerning these developments. On December 18, 1957, Secretary of Agriculture Ezra Taft Benson announced that dairy price supports for the marketing year beginning April 1, 1958, would be at 75 percent of parity. This reduction of support prices to 75 percent of parity would mean a decrease in price for milk of 25 cents per hundredweight, or a decrease in dairy income for Minnesota farmers during the next marketing year of approximately \$20 million. In addition to the fact of a direct market cut on next April 1, the Secretary's announcement at a date more than 4 months in advance of the proposed effective date for the support cut has had a depressing effect on current prices for milk and dairy products.

On January 16, 1958, the President of the United States in his message to the Congress on agricultural programs recommended that the dairy price support should be set by the Secretary of Agriculture through administrative order at a price level between 60 and 90 percent of parity. This recommended minimum of 60 percent of parity would result in a price cut of about 75 cents per hundredweight for Minnesota milk, or a total reduction in dairy income in the State of Minnesota during the next marketing year of \$48 million.

In 1954 the Secretary of Agriculture made his first reduction in dairy support prices. This reduction was justified by Mr. Benson on the grounds that a lower price level would reduce total production of milk and increase income to the dairy farmer. The experience of the past 4 years demonstrates conclusively the bankruptcy of this policy. In the intervening period, production has increased every successive year and income to the dairy farmer has not improved. I believe we must have a new program for the dairy farmers of the Nation. I believe further that while Congress is working out this program, cuts in dairy price supports such as proposed by Secretary Benson and President Eisenhower should not be made. We must, at the very least, hold the line on dairy price supports until a new program to stabilize the dairy industry is worked out.

Therefore, I urge each of you to work for the enactment of legislation to hold dairy price supports at their current level until such time as a new program for dairy farmers has been adopted by the Congress and signed into law by the President of the United States.

Sincerely yours,

ORVILLE L. FREEMAN,

Governor.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 149) to stay any reduction in support prices for dairy products until Congress can make appropriate provision for such support prices, introduced by Mr. HUMPHREY (for himself and Mr. AIKEN), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

#### STAY OF REDUCTION IN SUPPORT PRICES OR ACREAGE ALLOTMENTS

Mr. HUMPHREY. Mr. President, the second joint resolution, introduced on



behalf of the Senator from Missouri [Mr. SYMINGTON] and myself, would prevent:

Reductions in support prices or acreage allotments prior to consideration by Congress of such changes in the price support and acreage allotment laws as may be necessary as this time:

1. The support price (in terms of dollars and cents) for any commodity shall not be less than that available for such commodity during the marketing year or season which began in 1957; and

2. The total acreage allotted for any commodity shall not be less than that allotted for the 1957 crop of such commodity.

This joint resolution shall be effective only until such time as Congress shall make other provision for price supports and acreage allotments and provide for the repeal of this resolution.

This is the kind of action needed to stem the tide of recession, along with other proposals mentioned today by the Senator from Tennessee [Mr. GORE] and the Senator from Oregon [Mr. MORSE]. The purpose of the joint resolution is to give the Committee on Agriculture and Forestry time that may be required for long-term legislative action in the field of agricultural policy.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 150) to stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws, introduced by Mr. HUMPHREY (for himself and Mr. SYMINGTON), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

#### AMENDMENT OF INTERNAL REVENUE CODE—AMENDMENTS

Mr. HAYDEN submitted amendments, intended to be proposed by him, to the bill (H. R. 8381) to amend the Internal Revenue Code of 1954 to correct unintended benefits and hardships and to make technical amendments, and for other purposes, which were referred to the Committee on Finance and ordered to be printed.

#### AMENDMENT OF INTERNAL REVENUE CODE RELATING TO CERTAIN UNINTENDED BENEFITS—AMENDMENT

Mr. WILLIAMS. Mr. President, on July 23, 1957, I called the attention of the Senate to a Treasury Department ruling wherein American corporations in computing their income-tax returns were being permitted to deduct as legitimate business expenses the payments of bribes or kickbacks to officials or employees of foreign governments when doing business in their countries.

The particular case which was called to my attention to illustrate this practice is as follows:

The Lock Joint Pipe Co., 150 Rutledge Avenue, East Orange, N. J., had bid on several contracts for construction work in the Dominican Republic. Their bids were recognized as satisfactory and the company was approved for the work; however, before being awarded the contracts they were requested to and acqui-

esced in the payment of bribes or kickbacks to officials of that government amounting in the aggregate to approximately \$1,800,000.

These bribes or kickbacks were added to the original bids submitted, and presumably upon being paid by the Dominican Republic for the work, the company converted this extra payment into cash and turned it over to an agent for distribution to the officials. All of these kickbacks or bribes were turned over to a Mr. Rogers in the form of cash with the exception of one check for \$100,000 which was paid to him in New York City.

For example, in one instance the Lock Joint Pipe Co. submitted a proposed bid of \$11,775,000 for a certain contract. A representative of the Dominican Republic, Mr. William Rogers—a British subject—who at that time was Chief of the Division of Aqueducts in the Dominican Republic, advised the company that their bid was acceptable provided that they included in the figure an additional \$100,000, which was to be paid over to him. Accordingly, the figure of the contract was revised to \$11,875,000.

Shortly thereafter Mr. Rogers stated that their bid as revised was acceptable but instructed the company to add another \$600,000 to the bid, bringing the total to \$12,475,000, with the understanding that the additional \$600,000 was also to be rebated to Mr. Rogers, who said that the additional item was being collected for the benefit of the dictatorship, and that \$500,000 of this amount was being paid over for the generalissimo. This left Mr. Rogers' take on this contract \$200,000.

Altogether, during the life of this particular contract a total of \$700,000 was distributed in kickbacks and bribes over the 4-year period 1949-52.

Again, in 1951, the company was advised that further installations were contemplated by the Dominican Republic, and this time the company offered to do the work for \$5,920,000, but, again, upon the suggestion of the same Mr. Rogers, they revised their contract price to \$6,030,000 with the understanding that the additional \$110,000 was to be collected and paid over to Mr. Rogers. Presumably after Mr. Rogers took the matter up with the generalissimo he returned to the company and instructed them to add another \$250,000, which he described as being for Trujillo.

This brought the revised contract price to \$6,280,000, with the bid including \$360,000 for kickbacks.

Later additional work on the project was proposed, and the contract was extended. The company's bid on this extension was \$7,162,000, and this time they were instructed to include two additional amounts: (1) \$500,000, and (2) \$150,000; bringing the revised bid to \$7,812,000, again with the understanding that the \$650,000 would be used as kickbacks to officials of the dictatorship. Mr. Rogers told the company that this \$650,000 was to be distributed, \$500,000 for the chief—\$100,000 for his own benefit, and \$50,000 for special purposes.

The payment of \$1,710,000 in kickbacks and bribes was apparently made in the Dominican Republic which added

to another 100,000 paid to Mr. Rogers in New York City in 1952 brought the total paid by the company in bribes or kickbacks to officials of the Dominican Republic to \$1,810,000.

It is interesting to note that the United States Government allowed all of these kickbacks and bribes as ordinary and necessary business expenses, and thereby deductible for Federal Income Tax purposes, with the exception of 1 payment of \$100,000 to Mr. Rogers in the State of New York, and disallowance of this item was based on the fact that bribery, even in commercial transactions among private persons, is unlawful in the State of New York.

The United States Government reasoned that "the payment of \$100,000 to Mr. Rogers in New York in 1952 violated that law and to allow a deduction for that payment would frustrate the policy of that State as evidenced by its laws."

It has always been my understanding that the payment of a bribe or kickback under any circumstances is wrong and that under no circumstances can its recognition as a legitimate expense of doing business be justified.

The actual distribution of the bribes and kickbacks as recognized by the Treasury Department as having been paid by this company to Mr. Rogers for his own personal use and for distribution to the dictatorship is as follows:

First contract:

1949-----	\$436,000
1950-----	136,000
1951-----	28,000
1952-----	100,000

Total----- 700,000

Second contract and extension:

1951-----	\$275,000
1952-----	544,000
1953-----	121,000
1954-----	148,000
1955-----	21,000

Total----- 1,109,000

Unquestionably the overwhelming majority of American corporations doing business abroad would refuse to cooperate in such holdup practices even if the demands were made of them.

Nevertheless, as in the instance outlined here, the situation does exist in which this practice has been followed, and we are advised that as the courts place interpretation upon the existing law such payments, either as kickbacks or bribes, can be deducted for income-tax purposes as ordinary and necessary expenses of doing business.

Therefore, the burden now comes back to the Congress and the Treasury Department to support the necessary corrective legislation, thereby definitely both rejecting the principle and correcting the law.

All of the above referred to amounts were allowed by the Treasury Department as "ordinary and necessary" business expenses and thereby deductible for income tax purposes.

In the Treasury Department's letter, as incorporated in the Record on July 23, 1957, they stated:

Where \* \* \* it is the foreign government itself which demands or acquiesces in the payment, so that legal recourse is not available to the taxpayer in the operation of his



legal business, the Service would find it difficult to sustain the position that the expenses were not ordinary and necessary to the taxpayer's business.

In subsequent conversations with the Department and with the staff of the Joint Committee on Internal Revenue Taxation it has been agreed that in order to stop this practice additional legislation is required.

I am therefore today proposing an amendment to H. R. 8381, the purpose of which amendment is to prohibit the allowance as legitimate business deductions the payment of any bribe or kickback to officials or employees of foreign governments. There is already a law which prohibits such allowances on bribes or kickbacks paid to anyone within our country.

I ask that the amendment be appropriately referred and printed in the RECORD.

There being no objection, the amendment was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

On page 6 after line 9 insert the following new section:

"That section 162 of the Internal Revenue Code of 1954 (relating to trade or business expenses) is amended by redesignating subsection (c) as subsection (d), and by inserting after subsection (b) the following new subsection:

"(c) Improper payments to officials or employees of foreign countries: No deduction shall be allowed under subsection (a) for any expense paid or incurred if the payment thereof is made, directly or indirectly, to an official or employee of a foreign country, and if the receipt of the payment would be unlawful under the laws of the United States if such laws were applicable to such payment and to such official or employee."

"Sec. 2. The amendment made by this act shall be applicable only with respect to expenses paid or incurred after the date of the enactment of this act. The determination as to whether any expense paid or incurred prior to the date of the enactment of this act shall be deductible shall be made as if this act had not been enacted and without inference drawn from the fact that this section is not expressly made applicable with respect to expenses paid or incurred prior to the date of the enactment of this act."

Mr. WILLIAMS. Mr. President, to recognize these bribes or kickbacks as legitimate business deductions under the guise of ordinary and necessary business expenses is in effect to condone the practice.

As a member of the Senate Finance Committee I shall urge the prompt adoption and acceptance of this amendment by Congress. Certainly our Government cannot afford to be on record as recognizing under any circumstances the legitimacy or the propriety of an American corporation or individual bribing an official or employee of a foreign government when soliciting contracts with that country.

It is my understanding that the Dominican Republic officials referred to as having received the bribes or kickbacks have upon inquiry denied the payments; however, company officials insist that the payments were made and describe them as being for the officials as outlined.

This contradiction further emphasizes my contention that under no circumstances should the United States Government ever recognize or condone the payment of bribes or kickbacks since obviously even if the moral character of the transaction were ignored, no company or individual can certify or prove the payment of cash bribes. No one would be fool enough to give receipts for bribery which was paid in cash.

Certainly, to say the least, the allowance of such cash bribes as legitimate business expenses for income-tax purposes is a far cry from the recent Treasury announcement demanding from the average taxpayer a complete itemized breakdown of every expense item.

#### AMENDMENT OF INTERNAL REVENUE CODE OF 1954—ADDITIONAL COSPONSOR OF BILL

Mr. PASTORE. Mr. President, I ask unanimous consent that my name be added as cosponsor of the bill (S. 3194) to amend the Internal Revenue Code of 1954 so as to establish an initial program of tax adjustment for small and independent business and for persons engaged in small and independent business, which bill was introduced by the Senator from Alabama [Mr. SPARKMAN] in behalf of himself and other Senators on January 30, 1958.

First of all, let me congratulate the distinguished chairman of the Select Committee on Small Business for this excellent bill which in its 49 pages makes a frontal attack on some pressing problems of small business.

The bill, as its sponsors indicate, is not intended as a comprehensive and complete solution of all the difficulties of small business which should be the concern of the Congress.

I say it is our concern because with bipartisan accord we have promised in our party platforms to study and solve the handicaps of new and small business.

I say it is our concern because the Congress, through its studies, is impressed with the compelling reasons for adjustment of tax burdens on new and small business.

And now the committee under the able chairmanship of the Senator from Alabama [Mr. SPARKMAN], from its travels of thousands of miles and its consultation with hundreds and hundreds of small-business men in their home areas in every part of our land, has adduced the evidence and information which serves as the basis for this practical and profitable legislation.

The bill is practical because it helps to meet the need of small business to retain some part of its earnings to insure stability and growth. The bill is profitable to our country because this help to small business is truly an investment in our economy—strengthening our communities in peace—improving our ability to meet the demands of defense.

If I enumerate, in brief, some of the factors of this bill, it is not in explanation but in appreciation of the workmanship of the distinguished Senator from Alabama [Mr. SPARKMAN].

The bill permits an exemption from Federal income tax of a specific amount

of net income before taxes, which exemption will be plowed back into the business for stability and expansion.

It extends retirement provisions to persons not now included.

It permits installment payments on Federal estate taxes so that the resources of a small business would not be drained in a single year.

It extends to used equipment the depreciation rates now applicable to new equipment; it being considered that small business with its limited capital cannot buy high-priced new equipment.

It permits corporations an election to be taxed as partnerships avoiding the inequity of double income taxation.

It increases the minimum accumulated earnings credit from \$60,000 to \$100,000 which is a recognition of inflation. And it avoids conflicting decisions in tax cases by making the findings of the Tax Court of the United States or the United States courts of appeals binding upon the Secretary of the Treasury unless the Treasury chose to appeal.

Perfection is not claimed for this bill nor is the small-business job completed, but surely a major and a master step has been taken and it is a privilege to be permitted to be a cosponsor of the most praiseworthy product of the work of the Senator from Alabama [Mr. SPARKMAN].

I thank my colleagues.

The PRESIDENT pro tempore. Without objection, it is so ordered.

#### PROPOSED TAX REDUCTION ACT OF 1958—ADDITIONAL COSPONSORS OF BILLS

Under authority of the order of the Senate of February 10, 1958, the names of Mr. PROXMIRE, Mr. HUMPHREY, and Mr. NEUBERGER were added as additional cosponsors of the bill (S. 3263) to amend the Internal Revenue Code of 1954 so as to reduce the rate applicable to the first \$1,000 of taxable income for taxable year 1958 and to repeal or reduce certain excise taxes, introduced by Mr. DOUGLAS (for himself, Mr. MORSE, and Mr. CARROLL), on February 10, 1958.

Under authority of the order of the Senate of February 10, 1958, the names of Mr. PROXMIRE, Mr. HUMPHREY, and Mr. NEUBERGER were added as additional cosponsors of the bill (S. 3264) to amend the Internal Revenue Code of 1954 so as to increase the amount of the personal exemption for taxable year 1958 and to repeal or reduce certain excise taxes, introduced on February 10, 1958, by Mr. DOUGLAS (for himself, Mr. MORSE, and Mr. CARROLL).

#### ACTIVITIES OF INTERNATIONAL CIVIL AVIATION ORGANIZATION IN FIELD OF AIRPORT ECONOMICS—ADDITIONAL COSPONSORS OF RESOLUTION

Under authority of the order of the Senate of February 6, 1958, the names of Mr. LONG, Mr. SMATHERS, Mr. BUTLER, Mr. DOUGLAS, and Mr. MAGNUSON were added as additional cosponsors of the resolution (S. Res. 258) relating to the participation of the United States in







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued March 7, 1958  
For actions of March 6, 1958  
85th-2d, No. 36

## CONTENTS

Acreage allotments.....1,44		
Adjournment.....14,27		
Appropriations.....4,51		
Banking and currency....28		
Budgeting.....15,40,47		
Committee assignment....19		
Conservation.....5		
Corn.....1		
Cotton.....32,44		
Dairy industry.1,2,4,16,31		
Depressed areas.....6,23		
Economic situation.....5		
Eggs.....22		
Electrification.....5,11		
Employment.....24		
Expenditures.....33		
Fair trade.....9		
Family farm.....1		
Farm prices.....5		
Farm program.....1,5,35		
Flood control.....26		
Food additives.....20,39		
Food stamps.....42,49		
Foreign aid.....36,46		
Foreign trade.....21,37		
Forestry.....3,17,41		
Information.....12,18,46		
Lands.....29		
Legislative program..13,26		
Livestock.....50		
Loans.....4,5		
Monopoly.....7		
Onion futures.....26		
Pay raises.....25		
Price supports .....1,4,5,16,31,48		
Public works .....10,30,51		
Purchasing.....6		
Reclamation.....11,34		
Roads.....17,45		
Rural development.....38		
Small business.....4		
Soil bank.....1,4		
Surplus commodities .....28,42,49		
Taxation.....1		
Water resources.....8		
Wheat.....1,5,43		
Wool.....5		

HIGHLIGHTS: See page 8.

## SENATE

1. FARM PROGRAM. The Daily Digest reported that the Agriculture and Forestry Committee "ordered favorably reported the following: an original joint resolution to provide that acreage allotments and price supports cannot be lower than those in effect in 1957; an original joint resolution providing that price supports for dairy products shall not be reduced below those in effect in the 1957 marketing year; with amendment, S. 2937, providing equitable treatment for producers participating in the soil bank program on the basis of incorrect information furnished by the Government; a clean bill in lieu of S. 2913, to provide for a minimum acreage allotment for corn; and S. 3385, to amend section 114 of the Soil Bank Act with respect to compliance with corn acreage allotments." (p.D182). Sen. Humphrey announced committee's action. p.3073
- Sen. Proxmire stated that the Secretary had the power to increase dair, price supports, under present law, up to 90 percent of parity, and urged him to reconsider his action reducing price supports on April 1. pp. 3108-9



Sen. Proxmire inserted a speech by Prof. Galbraith of Harvard to the National Farm Institute, in which it was stated that the free market and the family farm are antithetical, and that to preserve our traditional farm structure will require government controls. pp. 3109-11

Sen. Proxmire inserted a constituent's letter on the farm program which also urged government payments in lieu of taxes for all Federal land. p. 3111

Sen. Murray added Sen. Neuberger's name as cosponsor to S. 3091, to require wheat price supports at no less than \$2 a bushel. p. 3091

Sen. Thye commended committee's bill to provide 54 million acre corn acreage allotment. p. 3114

2. DAIRY PRODUCTS. Sen. Proxmire's name was added as cosponsor to S. 2727, to establish Federal sanitation standards for milk and dairy products, and he recommended a uniform Federal law to promote the expansion of milk marketing. pp. 3090-1

3. FORESTRY. Passed as reported S. 3262, to authorize Federal grants to construct Olympic facilities for the 1960 winter games on Forest Service lands. p. 3123  
The committee report on this bill includes the following statement:

"The sports arena to be built under the provisions of section 2 would be located on national-forest land and would be subject to the jurisdiction and authority of the Secretary of Agriculture. The sports arena would remain Federal property.

"The State of California has been granted a 30-year permit to use the land on which the arena is to be constructed as part of a State park. It is the intent of the committee that the permit issued by the Forest Service will provide for the payment by the permittee after the VIII Olympic Winter Games are over of a fee that fairly reflects the value of the use of the arena. This provision of the bill should result in some return to the Federal Government on its investment. The General Accounting Office will be enabled to review the adequacy of the rentals."

The Indian Affairs subcommittee ordered reported with amendments to the Interior and Insular Affairs Committee S. 3051, to provide alternatives of private or Federal acquisition of the part of the Klamath Indian forest lands which must be sold under the termination act. p. D182

4. SECOND SUPPLEMENTAL APPROPRIATION BILL. Sen. Thye submitted notice of his intention to propose an amendment to this bill, H. R. 10881, to require 1958 dairy price supports be not less than those for 1957. p. 3090

Sen. Sparkman submitted notice of his intention to propose an amendment to the bill, to authorize the Small Business Administration to loan funds to small business concerns "if the administration determines that the small business concern has suffered a substantial economic injury as a result of programs administered by the Secretary of Agriculture under the provisions of the Soil Bank Act." p. 3090

This bill was made the unfinished business, and Sen. Johnson announced it would be considered Mon., March 10. pp. 3123, 3142-3

5. ECONOMIC SITUATION; FARM PROGRAM. Sens. Johnson, Chavez, Goldwater, Mansfield, Murray, Capehart, Kerr, Dworshak, Revercomb, Johnston, Holland, Case, S. Dak., Fulbright, Humphrey, Carroll, Yarborough, Dirksen, Thye, Morse, and Douglas discussed the economic situation and Sen. Johnson's two resolutions, S. Con. Res. 68 and S. Con. Res. 69, to urge the acceleration of expenditures for

# Daily Digest

## HIGHLIGHTS

Senate passed 40 measures on calendar call and took up second supplemental appropriations.

House passed bill improving budgetary methods.

Federal Highway Act approved by House committee.

See Congressional Program Ahead.

## Senate

### Chamber Action

*Routine Proceedings, pages 3072-3118*

**Bills Introduced:** 19 bills and 2 resolutions were introduced, as follows: S. 3401-3419; and S. Con. Res. 68-69.

Pages 3077-3078

**Bills Reported:** Reports were made as follows:

Report of Committee on the Judiciary entitled "Activities of the Subcommittee on Antitrust and Monopoly—1957," with individual views (S. Rept. 1345);

S. 602, to provide for acquisition of additional land for the Cowpens National Battleground site, with amendment (S. Rept. 1346);

Report of Committee on the Judiciary on Trading With the Enemy Act, pursuant to S. Res. 50, 85th Congress, 1st session, as extended (S. Rept. 1347);

H. J. Res. 439, to permit articles imported from foreign countries for the purpose of exhibition at the Washington State Seventh International Trade Fair, Seattle, Wash., to be admitted without payment of tariff (S. Rept. 1348);

S. 3418, to stimulate residential construction (S. Rept. 1349);

S. 2630, authorizing Secretary of Defense to lend certain equipment and provide certain services to the Girl Scouts for their Senior Roundup Encampment (S. Rept. 1350); and

H. R. 7696, to authorize certain persons to wear the uniform of a Reserve officers' training corps (S. Rept. 1351).

Page 3077

**Bills Referred:** 17 House-passed bills were referred to appropriate committees.

Page 3072

**Bear River Compact:** Senate concurred in House amendments to S. 1086, granting consent and approval of Congress to a Bear River company. This action cleared the bill for the President.

Pages 3091-3092

**Call of Calendar:** On call of calendar for unobjected-to bills, Senate passed 40 measures, of which 24 were private:

**Without amendment and cleared for President:**

*Panama Canal Zone:* H. R. 6710, to establish a 20-year statute of limitations on the payment of money orders issued by the Canal Zone Government;

*NACA schooling:* H. R. 6744, increasing limitation on amount the National Advisory Committee for Aeronautics may spend in continuing salaries of scientific and professional personnel while attending graduate schools;

*Armed services' dependents:* H. R. 7912, to authorize certain transportation expenses for dependents of deceased military personnel; and

*Private bill:* One private bill, H. R. 8139.

**With amendment, to be sent back to House:**

*World Trade Fair:* H. J. Res. 509, authorizing the President to invite the several States and foreign countries to participate in the Second Annual U. S. World Trade Fair.

**Without amendment and cleared for House:**

*U. S. marshals:* S. 1438, to amend the U. S. Code relating to the bonds of U. S. marshals;

*Air security:* S. 1380, authorizing the imposition of civil penalties for violation of security provisions of the Civil Aeronautics Act;

*Air transportation:* S. 2919, to amend the Civil Aeronautics Act so as to authorize free or reduced-rate transportation for retired employees of air carriers; and

*Private bills:* 12 private bills, S. 2833, S. Con. Res. 67, S. 2239, 2493, 2613, 2691, 2718, 2819, 1875, 2099, 2499, and 3124.

**With amendment and cleared for House:**

*Air violations:* S. 1749, authorizing imposition of civil penalties for violations of the Civil Aeronautics Act by mechanics;

*Olympic Games:* S. 3262, authorizing Federal grant for construction of Olympic facilities for the 1960 winter games; and



*Private bills:* Nine private bills, S. 803, 2712, 2538, 2621, 2650, 2657, 2733, 2818, and 2849.

**Resolutions adopted without amendment:**

*Unknown American:* H. Con. Res. 242, relating to burial ceremonies of the unknown American of the Second World War and of the Korean conflict;

*Printing:* H. Con. Res. 246, relating to the printing of additional copies of papers collected for Foreign Trade Policy Subcommittee of Committee on Ways and Means; and

*Maria Sanford:* S. Con. Res. 65, to place temporarily in the Rotunda of the Capitol a statue of Maria Sanford, and to hold ceremonies on such occasion.

**Resolutions adopted with amendment:**

*Committee authorization:* S. Res. 259, authorizing Foreign Relations Committee to hire an additional professional staff member to be primarily concerned with Senate participation in interparliamentary organization;

*Committee expenditures:* S. Res. 269, to repeal certain authorizations to make expenditures from the contingent fund of the Senate;

*Gratuities:* S. Res. 266-268, providing payment of gratuities to survivors of deceased Senate employees; and

*Maria Sanford:* S. Con. Res. 64, to accept for placement in Statutory Hall the statue of Maria Sanford.

Pages 3118-3123

**Private Bills:** Immediately after call of the calendar Senate took up the following two private bills and passed them without amendment, thus clearing them for the President: H. R. 6182 and 6623. Pages 3123-3124

**Alaskan Red Salmon:** Senate adopted S. Res. 263, favoring negotiation with the Government of Japan for the protection of Alaskan red salmon fisheries.

Pages 3123, 3124-3129

**Supplemental Appropriations:** Senate made its unfinished business H. R. 10881, second supplemental appropriations for fiscal 1958.

Three notices of intention to suspend the rules for the purpose of proposing amendments to this bill were submitted as follows: by Senator Robertson to suspend activities in connection with the proposal for extension of central portion of Capitol Building until end of 2d session of 85th Cong. unless Senate, in the meantime, acts on S. 2883, to eliminate the requirement that the extension of the east front of the U. S. Capitol be in substantial accord with scheme B of the architectural plan of March 3, 1905 (filed during the adjournment of Senate on March 4); by Senator Thyne respecting price supports on dairy products; and by Senator Sparkman, respecting small business concerns which have suffered substantial economic injury as result of the administration of the Soil Bank Act. Pages 3071, 3090, 3142-3143

**Authority To Report:** Committees on Agriculture and Forestry and on Public Works were authorized to file reports during Senate recess.

Page 3073

**Legislative Program:** Majority leader announced that following action on H. R. 10881, second supplemental appropriations, and S. 3418, to stimulate residential construction, it is hoped that Senate by March 15 will have before it S. 3088, authorizing appropriations for highway construction, and amendments to Federal Aid Highway Act of 1956, to be followed by consideration of legislation regarding a public works agency, and legislation on price supports on farm commodities.

Pages 3073, 3143

**Nominations:** Senate received the following nominations: James S. Moose, Jr., of Arkansas, Whiting Willauer, of Massachusetts, Robert F. Woodward, of Minnesota, and Robert Newbegin, of New Hampshire, to be Ambassadors, respectively, to Republic of Sudan, Costa Rica, Uruguay, and Honduras; 8 judicial nominations; and 2 postmaster withdrawals. Pages 3164-3170

**Program for Monday:** Senate adjourned at 7:06 p. m. until noon Monday, March 10, when it will consider H. R. 10881, second supplemental appropriations for fiscal 1958, to be followed by S. 3418, to stimulate residential construction.

Pages 3073, 3143, 3164

## Committee Meetings

(Committees not listed did not meet)

### PRICE SUPPORTS

**Committee on Agriculture and Forestry:** Committee, in executive session, ordered favorably reported the following: an original joint resolution to provide that acreage allotments and price supports cannot be lower than those in effect in 1957; an original joint resolution providing that price supports for dairy products shall not be reduced below those in effect in the 1957 marketing year with amendment, S. 2937, providing equitable treatment for producers participating in the soil bank program on the basis of incorrect information furnished by the Government; a clean bill in lieu of S. 2913, to provide for a minimum acreage allotment for corn; and S. 3385, to amend section 114 of the Soil Bank Act with respect to compliance with corn acreage allotments.

Committee will meet again in executive session tomorrow on price-support legislation.

### COMMITTEE BUSINESS

**Committee on Armed Services:** Committee, in executive session, ordered favorably reported the following: The nomination of Dr. Paul D. Foote, to be Assistant Secretary of Defense (Research and Engineering); 1,607 nominations in the Army, Navy, Air Force, and Marine Corps; without amendment S. 2630, authorizing Secretary of Defense to lend certain equipment and provide certain services to the Girl Scouts for their Senior Roundup Encampment, and H. R. 7696, to authorize certain persons to wear the uniform of a Reserve officers' training corps; and with amendment H. R. 8437, a private bill.



the hearings can be scheduled for around the 18th or 20th of March.

I have been informed by the chairman of the Housing Subcommittee of the Banking and Currency Committee [Mr. SPARKMAN] that the group hopes to report a housing bill and be ready for its consideration in the Senate next week.

Mr. SPARKMAN. Mr. President, at this point will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield. But first, Mr. President, I should like to request 3 minutes' additional time.

The VICE PRESIDENT. Is there objection? Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, let me say that the committee has just completed its action on the bill. In a moment I shall have to leave the floor, and I hope the majority leader will request that our committee may have until midnight tonight to file our report on the bill.

#### AUTHORIZATION FOR BANKING AND CURRENCY COMMITTEE TO HAVE UNTIL MIDNIGHT, MARCH 6, TO FILE REPORT ON HOUSING BILL

Mr. JOHNSON of Texas. Mr. President, I request that the Committee on Banking and Currency have until midnight tonight to file its report on the housing bill.

The VICE PRESIDENT. Is there objection? Without objection, it is so ordered.

#### AUTHORIZATION FOR COMMITTEE ON PUBLIC WORKS AND COMMITTEE ON AGRICULTURE AND FORESTRY TO FILE REPORTS DURING THE ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that during the adjournment of the Senate the Public Works Committee be permitted to file three reports, and the Senate Agriculture and Forestry Committee be permitted to file reports.

The VICE PRESIDENT. Without objection, it is so ordered.

#### LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I wish to call the attention of the Senate to the program ahead of us:

Today, there will be a call of the calendar.

On Monday, the Senate will consider the second supplemental appropriation bill of 1958.

At the conclusion of the action on that appropriation bill, we plan to have the Senate proceed to the consideration of the housing bill.

I hope the distinguished chairman of the Committee on Public Works, the senior Senator from New Mexico, with the assistance of the chairman of the subcommittee, will be able to have a road bill available for the Senate by March 15.

I hope that following action on the road bill, there will be before the Senate the recommendations of the Public Works

Committee in regard to a public-works agency.

I am informed that this morning the Committee on Agriculture and Forestry took action—very constructive and, I believe, very important and necessary action—in connection with price supports on farm commodities.

At this time I shall be glad to yield to the Senator from Minnesota [Mr. HUMPHREY]—who, I understand, is the author of the bill—to have him inform the Senate when he believes that measure will be ready for its consideration.

Mr. HUMPHREY. Mr. President, this morning the Committee on Agriculture and Forestry voted in favor of a resolution which will have the effect of law, when adopted by the Congress. The resolution had been processed by the subcommittee, under the chairmanship of the Senator from South Carolina [Mr. JOHNSTON]. It is a resolution to maintain as a basic floor the price-support levels and the dollar prices on agricultural commodities, as well as the acreage allotments on them, at the 1957 basis, until Congress takes action to the contrary. In other words, it is a stopgap measure to prevent a further decline in prices on commodities such as cotton, wheat, corn, tobacco, and dairy products, or whatever the commodities may be.

It would prevent any further lowering. I think it is a constructive proposal. I am hopeful the Congress, at the appropriate time will, adopt it.

#### RELIEF FOR PRESENT ECONOMIC CONDITIONS

Mr. JOHNSON of Texas. I should like to observe that I have no lack of confidence in this country. We must not play politics with human misery. That is what people do when they procrastinate or set up smokescreens. I have responsibilities as the majority leader of the Senate of the United States. I recognize that every other Senator has responsibilities, and that we have separate and coordinate branches of government. I do not seek to direct the activities of those branches. But I plan not only to live up to my responsibilities, but to discharge them as effectively as I can. As majority leader of the Senate, I am aided by a cabinet made up of committee chairmen. I have conferred with them. I think they will expedite action, and I believe they will have the cooperation of Senators on both sides of the aisle, in an attempt to prevent the unemployment rolls from growing day by day. I am not seeking to find any scapegoats or place any blame. I am seeking to do something that is constructive.

Mr. CHAVEZ and Mr. GOLDWATER addressed the Chair.

Mr. JOHNSON of Texas. Mr. President, I shall yield first to the Senator from New Mexico, and then to the Senator from Arizona, and then to other Senators who may wish to address themselves to the subject.

Mr. CHAVEZ. I may say that the Subcommittee on Public Roads is concluding hearings on the road bill. It is expected that bill will be reported to the

Senate, I would say, between the 15th and the 20th of March. Also, the full committee will hold hearings on a public-works program. I have complete confidence in the personnel of the Public Works Committee, from both sides of the aisle. They are cooperative. It is a constructive committee; it is not a political committee. The committee will report a bill very soon. I hope the leader will use his good offices to get early action on the House side on the bill which passed the Senate some time ago.

Mr. JOHNSON of Texas. The Senator has discussed that matter with me. I have assured him of my cooperation. I understood the Senator to say hearings would be concluded by about the 12th of March, and he hoped that some time about the 15th the bill would be ready.

Mr. CHAVEZ. I was speaking of the road bill.

Mr. JOHNSON of Texas. May I inquire as to the WPA bill? Will the committee start hearings on that bill following the hearings on the other bill?

Mr. CHAVEZ. The hearings will start around the 17th before the full committee, because I know the members of the committee will be nonpartisan and will try to take care of people who need work.

Mr. JOHNSON of Texas. I now yield to the Senator from Arizona.

Mr. GOLDWATER. I merely wish to say to the majority leader I appreciate what he has said about the recognition of his responsibilities, as majority leader of the Senate, to provide assistance to those sections that are suffering setbacks economically. I do not desire to comment on the statement other than to ask the majority leader if he has closed the door to possible tax cuts.

Before he answers the question, let me explain my reason for the question. There is no doubt in my mind that the Government will operate with a deficit this year. Any money expended for expanded public works, roads programs, and so forth, will add to the deficit. It is the opinion of the junior Senator from Arizona that if we are going to yield to the temptation to have additional deficits, we may well consider the advisability of yielding in the direction of an across-the-board tax cut for the American people. I say that because I am convinced not only as a businessman, but as a Senator, that the greatest stimulant business could receive today would be a tax cut. I can assure the majority leader, and I am sure he agrees with me, that if such a tax cut were forthcoming, business would pick up much more quickly than if we waited for public works.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have 5 additional minutes.

The VICE PRESIDENT. Without objection, the Senator may proceed.

Mr. JOHNSON of Texas. I will say to the Senator from Arizona, first of all, that I feel very strongly about the division of powers in the Government and the checks and balances our forefathers established. Therefore, I am always careful not to trespass on the functions



of the executive. I try also not to "jump the gun" on my colleagues in the House, where I served so pleasantly for six terms.

I have given a great deal of thought to a tax cut mentioned by the Senator from Arizona, and have talked to a great many people about it, including such industrialists as Mr. Henry Ford and others, who somewhat share the opinion expressed by the distinguished Senator from Arizona, who at least was an outstanding businessman before he came to the Senate, and maybe still is—

Mr. GOLDWATER. That is questionable.

Mr. JOHNSON of Texas. They have already reached the decision that a tax cut is desirable. I have not reached a firm conclusion. I have talked to my counterparts in the House of Representatives. I am informed that they have and are giving consideration presently to that very complex subject. Perhaps they may even have made more formal plans than have been announced. If and when the decision is reached that it is essential and desirable, they of course would initiate it, because of the constitutional provision.

I want to point out, however, and I do so as effectively as I can, Mr. President, that there are at least 5 or 6 million people in this country who have no taxes to cut. They have no jobs to work at. They have no equipment to man. The lights are off in their plants. When we add to that situation the distressing farm situation, the fact that there are many farmers who have no taxes to pay, we are going to have to face up to those problems. I hope the Senate can do it without being dramatic. I hope the Senate can take a factual approach, without a lot of fanfare.

I said to my colleague and friend from an adjoining State this morning, the distinguished chairman of the Reclamation Subcommittee of the Committee on Interior and Insular Affairs, to please look at the distressed areas in the West, see what jobs are available, and see if we cannot add some extra shifts to them.

Only yesterday I had a meeting with the able Senator from Montana [Mr. MANSFIELD], my very able assistant, and presented to him, and to other Senators, the thought that perhaps now would be a good time for the Government to acquire strategic materials for its stockpile, while prices are so low. We are always searching for them when prices are high, but when prices become low we close our pocketbook.

If we do our duty as Senators, I have no doubt the other body will do its duty, and the executive department will do its duty, and, as a team, we can preserve the Republic, and continue the prosperity and the great productivity and the high standards of living we have enjoyed all these years.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. GOLDWATER. Mr. President, I do not wish to prolong the debate, because I realize it is infringing upon the morning hour.

I merely wanted to make sure—and I have been assured—that if the suggestion of a tax cut comes up, it will receive

the full cooperation of the majority leader.

I desire to say again to my distinguished friend that I have a full understanding of his sincerity. I realize that he has a deep and heartfelt concern for the condition which exists in some parts of this country. However, when we cut taxes back in 1954 by \$7½ billion or thereabouts, within months building activity reached an alltime high and within months unemployment reached an alltime low.

Mr. JOHNSON of Texas. I might point out that we increased Government revenues.

Mr. GOLDWATER. The Senator is correct. There is about \$14 billion coming in from those sources today.

The Senator from Arizona is trying to point out that if the Congress—and I will include the administration—wants to do something for business, let us suggest a tax cut and let us pursue it. I can assure my colleagues that if we give the American businessman, the American wage earners, the American corporations, and the American professional men the right to spend their own money, this country can look forward to years and years of prosperity.

I shall close with this one statement: This is not the whole problem. In my State, as is true in the State of the distinguished Senators from Montana, the copper mines are having difficulty partly because of Government action which has not been taken. We have not considered as yet the possibility of providing a protective tariff to protect those engaged in the copper industry.

When we get into the field of doing something for the American economy, I feel that is wrapped up in a tax reduction and in protecting of American industry.

I thank the Senator for yielding to me.

Mr. JOHNSON of Texas. I will say to the Senator that I spent a pleasant evening last week with one of his State's most distinguished citizens. It was from that gentleman I received the suggestion that we should make a study as to acquiring some strategic metals, including copper, with a view to trying to make our economy stronger, and at the same time, over the long pull, saving money for the United States Government.

The American people, in my opinion, want action—not arguments. The American people are more interested in where we are going than where we have been.

I think that if the Senator from Alabama [Mr. HILL] can obtain action so as to expand the benefits of the Hill-Burton Act; if the Senator from New Mexico [Mr. ANDERSON] can secure action on reclamation projects; if the Senator from Texas continues the work he is doing with the Defense Department—and we are going to have about \$4 billion more of military expenditures this year than last year—to accelerate military construction; if the Senator from New Mexico [Mr. CHAVEZ] and the Senator from Tennessee [Mr. GORE] can step up highway building; if the Senator from Alabama [Mr. SPARKMAN] can succeed with his housing program; if the Senator from Oklahoma [Mr. KERR] can

have a flood-control program adopted; if we can obtain some machinery for public works; if the Senator from Minnesota [Mr. HUMPHREY] and the able chairman of his Committee on Agriculture and Forestry [Mr. ELLENDER] can obtain action on a program which will at least restore some confidence among farmers and assure farmers that their prices are not going to be cut deeper, deeper, and deeper; then, Mr. President, we may have the strong America that we look for.

I have faith in America. I believe in the American people, in the procedures and the enterprise and the machinery of America. I am not going to sit here with my hands in my pockets and recognize as a fact that nothing can be done about 5 million or more people who are out of work. We should not postpone action because twice that many were out of work 20 years ago. I should like to see the day come when every man will have a job, when every man will have a roof over his head, and when every man will work for what he gets and will not get something for nothing.

In my State \$310 million of unemployment compensation funds have been built up, but the Aluminum Company of America last week laid off a substantial number of workers, and the following week it laid off another group. The military services have moved some fighter wings and closed some installations. The farmers have been severely hit by low prices and drought.

If we do not do something to face up to this problem, it is going to become worse instead of better. I make the prediction that it is going to get better. The reason it is going to get better is that in partnership the Congress and the executive can march hand in hand to face up to the problem.

We, along with the giants of our enterprise system, using their imagination and their pioneering spirit—I pray to God they have not lost all of their adventure yet—perhaps can go into new fields which will stimulate employment.

We are getting rid of the very bad policy, I think, of tight credit and high interest rates. We are pulling away from that gradually. I want to commend those who have been responsible for the change. I am glad that credit has eased to some extent and that the Government can now obtain money cheaper.

I think if there could be reported the small business bank bill which I have introduced, which is now under consideration by the Committee on Banking and Currency, to provide aid for each Federal district, that would be a further help. I appeal to the members of the Committee on Banking and Currency for their help. My friend from Wisconsin [Mr. PROXMIRE] is a new member of the committee. I hope he will help me with regard to that bill. I would appreciate his help. I am going to consult other members of the committee in that regard.

I think the net result will be that we will have a happier country and a more prosperous country. We need not take the situation sitting down.







IMMEDIATE STAY OF REDUCTIONS IN PRICE SUPPORTS  
AND ACREAGE ALLOTMENTS

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MARCH 7, 1958.—Ordered to be printedFiled under authority of the order of the Senate of March 6, 1958

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Mr. ELLENDER, from the Committee on Agriculture and Forestry  
submitted the following

## REPORT

[To accompany S. J. Res. 162]

The Committee on Agriculture and Forestry reported an original joint resolution (S. J. Res. 162), to stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws, with a recommendation that it do pass.

This joint resolution is an emergency measure to stay any reduction in the support price or the acreage allotted for any agricultural commodity, except tobacco, until Congress has had an opportunity to consider such changes in the law as are necessary in the light of current conditions.

The resolution provides that the support price for any commodity, except tobacco, shall not be reduced below the 1957 level (in dollars and cents) until Congress can act. A comparison of 1957 and 1958 support prices is made in table 1.

## 2 STAY PRICE SUPPORTS AND ACREAGE ALLOTMENTS REDUCTIONS

TABLE 1.—*Commodity Credit Corporation price-support levels and prices for 1957 and 1958 crops*

Commodity	Unit	1957 crops		1958 crops	
		Support level	Support price	Support level	Support price
Basic commodities:					
Corn <sup>1</sup> .....	Bushel.....	77.0	\$1.40	( <sup>2</sup> )	( <sup>2</sup> )
Cotton, extra long staple.....	Pound.....	75.0	.5970	( <sup>2</sup> )	( <sup>2</sup> )
Cotton, upland.....	do.....	78.0	.2881	81	<sup>3</sup> \$0.3075
Peanuts.....	do.....	81.4	.1135	( <sup>2</sup> )	( <sup>2</sup> )
Rice, rough.....	Hundredweight.....	82.0	4.72	75	<sup>3</sup> 4.33
Wheat.....	Bushel.....	79.0	2.00	75	<sup>3</sup> 1.78
Mandatory nonbasic commodities:					
Honey.....	Pound.....	70.0	.97	70	.96
Dairy products:					
Manufacturing milk.....	Hundredweight.....	82.0	3.25	75	3.03
Butterfat.....	Pound.....	79.0	.586	75	.562
Tung nuts.....	Ton.....	65.0	52.13	( <sup>2</sup> )	( <sup>2</sup> )
Tung oil.....	Pound.....		.205	( <sup>2</sup> )	( <sup>2</sup> )
Mohair.....	do.....	87.0	.70	82	.70
Wool.....		101.0	.62	95	.62
Other nonbasic commodities:					
Barley.....	Bushel.....	70.0	.95	70	.93
Beans, dry edible.....	Hundredweight.....	68.0	6.31	68	6.18
Cottonseed.....	Ton.....	65.0	46.00-42.00	65	45.00-41.00
Flaxseed.....	Bushel.....	65.0	2.92	65	2.78
Gum naval stores.....	Barrel (435 pounds processed basis).....	<sup>4</sup> 90.0	28.29	<sup>4</sup> 90	29.04
Oats.....	Bushel.....	70.0	.61	70	.61
Rye.....	do.....	70.0	1.18	70	1.10
Sorghums, grain.....	Hundredweight.....	70.0	1.86	70	1.83
Soybeans.....	Bushel.....	70.0	2.09	70	2.09

<sup>1</sup> Commercial support for corn produced in compliance with acreage allotments.

<sup>2</sup> Not announced.

<sup>3</sup> Minimum.

<sup>4</sup> Unprocessed basis.

The resolution provides further that the total acreage allotted to any commodity under the Agricultural Adjustment Act of 1938 shall not be reduced below the total acreage allotted to such commodity for 1957. The national acreage allotments for wheat and rice for 1958 are the same as for 1957, the minimum provided by law, as follows: Wheat, 55 million acres and rice, 1,652,596 acres. The total acreage allotted for corn in 1958 in the commercial corn area, which includes 38 more counties than in 1957, is 38,818,381 acres as compared to 37,288,889 acres in 1957. The total acreage allotted to cotton for 1958 (17,554,528 acres) is slightly below the total acreage allotted to cotton in 1957 (17,585,463 acres) because the acreage required to provide the minimum State acreage allotments under section 302 of the 1956 act was only 63,224 acres in 1958 as compared to 94,159 acres in 1957. The total acreage allotted to extra long staple cotton is 83,286 acres in 1958 as compared with 89,357 acres in 1957, and the total acreage allotted for peanuts is 1,610,000 acres for 1958 as compared with 1,611,441 acres in 1957.

Several provisions of law governing the distribution of the total allotted acreage to States (in the case of rice) and to States, counties, and farms (in the case of cotton) expire with the 1958 crop. In the case of rice the provision establishing the minimum national acreage allotment and providing that the States share in it in the same proportion that they shared in the previous year's allotment expires this year. In the case of cotton the following provisions expire this year: (1) The provision for a minimum national acreage allotment equal to the 1956 allotment of 17,391,304 acres; (2) the provision for minimum State



acreage allotments; and (3) the provision for minimum farm allotments and for the national acreage reserve established to provide additional acreage for Nevada and for other States to meet their needs in providing minimum farm allotments. In line with the purpose of the resolution to maintain the status quo until Congress can take appropriate further action, the resolution would prevent these provisions from expiring during the period covered by the resolution. The total acreage to be allotted for upland cotton under the resolution will thus be not less than 17,585,463 acres, the total acreage allotted in 1957; and this will be allotted in the following manner. As required by section 302 of the Agricultural Act of 1956, a national acreage allotment equal to not less than the 1956 national acreage allotment of 17,391,304 acres will be apportioned to States as provided in section 344 (b) of the Agricultural Adjustment Act of 1938, as amended. An additional 100,000 acres will be set aside for apportionment as required by section 303 of the Agricultural Act of 1956 (to provide additional acreage for Nevada and for minimum farm allotment requirements). The remainder of the total acreage to be allotted (or 94,159 acres if the national allotment is not more than 17,391,304 acres) will be used to increase each State allotment to 99 percent of its share of the national acreage allotment for the preceding year. Any part of such 94,159 acres not so used, will be apportioned to States on the basis of their applicable 5-year base.

If the provisions of the joint resolution should require an increase in the 1958 acreage allotment for any commodity in an amount which would be so small as to make its allotment to States, counties, and farms impractical and too small to be of material benefit to farmers, it is not intended that such allotment would be made.

The committee has just completed hearings on general farm legislation and has received a number of varying views as to what action should be taken. It is clear that a satisfactory, long-range program cannot be worked out in time to prevent the substantial harm that would be done to farmers and to the program if support prices were permitted to drop temporarily.

The committee therefore recommends prompt enactment of this joint resolution.

#### CHANGES IN EXISTING LAW

The resolution makes no direct amendment of existing law, but extends the following provisions (which are now applicable only to 1957 and 1958) for the period covered by the resolution:

#### AGRICULTURAL ACT OF 1956

SEC. 302. Section 342 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding at the end thereof the following: "Notwithstanding the foregoing provisions of this section, the national marketing quota for cotton for 1957 and 1958 shall be not less than the number of bales required to provide a national acreage allotment for 1957 and 1958 equal to the national acreage allotment for 1956: *Provided*, That if the acreage allotment for any State for 1957 or 1958 is less than its allotment for the preceding year by more than 1 per centum, such State allotment shall be increased so that the reduction shall not exceed 1 per centum per annum, and the acre-

age required for such increase shall be in addition to the national acreage allotment for such year. Additional acreage apportioned to a State for 1957 or 1958 under the foregoing proviso shall not be taken into account in establishing future State allotments."

SEC. 303. (a) Section 344 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: "*Provided*, That there is hereby established a national acreage reserve consisting of one hundred thousand acres which shall be in addition to the national acreage allotment; and such reserve shall be apportioned to the States on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), as determined by the Secretary without regard to State and county acreage reserves (except that the amount apportioned to Nevada shall be one thousand acres), and the additional acreage so apportioned to the State shall be apportioned to the counties on the same basis and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreage). Additional acreage apportioned to a State for any year under the foregoing proviso shall not be taken into account in establishing future State acreage allotments. Needs for additional acreage under the foregoing proviso and under the last proviso in subsection (e) shall be determined as though allotments were first computed without regard to subsection (f) (1)."

(b) Section 344 (e) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: "*Provided further*, That if the additional acreage allocated to a State under the proviso in subsection (b) is less than the requirements as determined by the Secretary for establishing minimum farm allotments for the State under subsection (f) (1), the acreage reserved by the State committee under this subsection shall not be less than the smaller of (1) the remaining acreage so determined to be required for establishing minimum farm allotments or (2) 3 per centum of the State acreage allotment; and the acreage which the State committee is required to reserve under this proviso shall be allocated to countries on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreages."

(c) Section 344 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended by changing paragraph (1) to read as follows:

"(1) Insofar as such acreage is available, there shall be allotted the smaller of the following: (A) four acres; or (B) the highest number of acres planted to cotton in any year of such three-year period."

(d) The first sentence of section 344 (f) (6) of such Act is amended to read as follows: "Notwithstanding the provisions of paragraph (2) of this subsection, if the county committee recommends such action and the Secretary determines that such action will result in a more equitable distribution of the county allotment among farms in the



county, the remainder of the county acreage allotment (after making allotments as provided in paragraph (1) of this subsection) shall be allotted to farms other than farms to which an allotment has been made under paragraph (1) (B) of this subsection so that the allotment to each farm under this paragraph together with the amount of the allotment of such farm under paragraph (1) (A) of this subsection shall be a prescribed percentage (which percentage shall be the same for all such farms in the county) of the average acreage planted to cotton on the farm during the three years immediately preceding the year for which such allotment is determined, adjusted as may be necessary for abnormal conditions affecting plantings during such three-year period; *Provided*, That the county committee may in its discretion limit any farm acreage allotment established under the provisions of this paragraph for any year to an acreage not in excess of 50 per centum of the cropland on the farm, as determined pursuant to the provisions of paragraph (2) of this subsection: *Provided further*, That any part of the county acreage allotment not apportioned under this paragraph by reason of the initial application of such 50 per centum limitation shall be added to the county acreage reserve under paragraph (3) of this subsection and shall be available for the purposes specified therein."

(c) The amendments made by this section shall be effective only with respect to 1957 and 1958 crops. For the 1956 crop, an acreage in each State equal to the acreage allotted in such State which the Secretary determines will not be planted, placed in the acreage reserve or conservation reserve, or considered as planted under section 377 of the Agricultural Adjustment Act of 1938, as amended, may be apportioned by the Secretary among farms in such State having allotments of less than the smaller of the following: (1) four acres, or (2) the highest number of acres planted to cotton in any of the years 1953, 1954, and 1955.

SEC. 304. Section 353 (c) of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following:

"(5) Each of the State acreage allotments for 1956 heretofore proclaimed by the Secretary, after adding thereto any acreage apportioned to farms in the State from the reserve acreage set aside pursuant to subsection (a) of this section, shall be increased by such amount as may be necessary to provide such State with an allotment of not less than 85 per centum of its final allotment established for 1955. Any additional acreage required to provide such minimum allotment shall be additional to the national acreage allotment. In any State having county acreage allotments for 1956, the increase in the State allotment shall be apportioned among counties in the State on the same basis as the State allotment was heretofore apportioned among the counties, but without regard to adjustments for trends in acreage.

"(6) The national acreage allotments of rice of 1957 and 1958 shall be not less than the national acreage allotment for 1956, including any acreage allotted under paragraph (5) of this subsection, and such national allotments for 1957 and 1958 shall be apportioned among the States in the same proportion that they shared in the total acreage allotted in 1956."



Calendar No. 1377

85TH CONGRESS  
2D SESSION

# S. J. RES. 162

[Report No. 1355]

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IN THE SENATE OF THE UNITED STATES

MARCH 7, 1958

Mr. ELLENDER, from the Committee on Agriculture and Forestry, reported, under authority of the order of the Senate of March 6, 1958, the following joint resolution; which was read twice and placed on the calendar

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## JOINT RESOLUTION

To stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws.

1 *Resolved by the Senate and House of Representatives*  
2 *of the United States of America in Congress assembled,*  
3 That in order to prevent reductions in support prices or  
4 acreage allotments prior to consideration by Congress of  
5 such changes in the price support and acreage allotment  
6 laws as may be necessary at this time—

7 (1) the support price (in terms of dollars and  
8 cents) for any agricultural commodity, except tobacco,  
9 shall not be less than that available for such commodity

1 during the marketing year or season which began in  
2 1957; and

3 (2) the total acreage allotted for any agricultural  
4 commodity, except tobacco, shall not be less than that  
5 allotted for the 1957 crop of such commodity, and sec-  
6 tions 302, 303, and 304 of the Agricultural Act of 1956  
7 (relating to minimum National, State, and farm acreage  
8 allotments for 1957 and 1958) shall be extended to  
9 apply to each crop of upland cotton and rice, respec-  
10 tively, to which this resolution is applicable.

11 This resolution shall be effective only until such time as  
12 Congress shall make other provision for price supports and  
13 acreage allotments and provide for the repeal of this resolu-  
14 tion. Nothing in this resolution shall be construed to repeal  
15 or modify any law enacted in the second session of the  
16 Eighty-fifth Congress or to require price support to be made  
17 available if marketing quotas have been disapproved by  
18 producers, or to noncooperators in the case of any basic  
19 agricultural commodity.





85TH CONGRESS  
2d Session

# S. J. RES. 162

[Report No. 1355]

## JOINT RESOLUTION

To stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws.

By Mr. ELLENDER

MARCH 7, 1958

Read twice and placed on the calendar







MARCH 10, 1958

SENATE

13. PRICE SUPPORTS. The Agriculture/and Forestry Committee reported (Mar. 7) without amendment, S. J. Res. 162, to prohibit any reduction in support prices or acreage allotments for any commodity, except tobacco (S. Rept. 1355). (p. 3292) The Committee report explains the measure as follows:

"This joint resolution is an emergency measure to stay any reduction in the support price or the acreage allotted for any agricultural commodity, except tobacco, until Congress has had an opportunity to consider such changes in the law as are necessary in the light of current conditions.

"The resolution provides that the support price for any commodity except tobacco, shall not be reduced below the 1957 level (in dollars and cents) until Congress can act...

"The resolution provides further that the total acreage allotted to any commodity under the Agricultural Adjustment Act of 1938 shall not be reduced below the total acreage allotted to such commodity for 1957....

"Several provisions of law governing the distribution of the total allotted acreage to States (in the case of rice) and to States, counties, and farms (in the case of cotton) expire with the 1958 crops...In line with the purpose of the resolution to maintain the status quo until Congress can take appropriate further action, the resolution would prevent these provisions from expiring during the period covered by the resolution...."

- The Agriculture/and Forestry Committee reported (Mar. 7) without amendment, S. J. Res. 163, to prohibit any reduction in support prices for dairy products (S. Rept. 1356). (p. 3292) The Committee report explains the measure as follows:

"This joint resolution is an emergency measure to stay any reduction in dairy price supports until Congress has had an opportunity to consider such changes in the price-support law as are necessary in the light of current conditions. Present price supports are \$3.25 (83 percent of parity) per hundredweight for manufacturing milk and 58.6 cents per pound for butterfat (80 percent of parity). On December 18, 1957, the Secretary of Agriculture announced that dairy-price supports for the marketing year which begins April 1, 1958, will be at levels which reflect 75 percent of the parity price of manufacturing milk and butterfat at the beginning of the marketing year. Support prices at this lower level would be \$3.03 per hundredweight for manufacturing milk and 56.2 cents per pound for butter fat, based on the current parity price.

"The committee has just completed hearings on dairy-product-price supports and has received a number of varying views as to what action should be taken. It is clear that a satisfactory, long-range program cannot be worked out before the end of this month. The committee feels that substantial harm would be done to dairy farmers and to the program if support prices are permitted to drop temporarily."

14. FOREIGN TRADE; SURPLUS COMMODITIES. The Agriculture and Forestry Committee reported (Mar. 8) without amendment S. 3420, to extend Public Law 480 (S. Rept. 1357). p. 3292



15. CORN. The Agriculture and Forestry Committee reported an original bill, S. 3441, "to provide for a minimum acreage allotment for corn" (S. Rept. 1370). p. 3301
16. WHEAT. The Agriculture and Forestry Committee reported without amendment S. 3406, with respect to wheat acreage histroy. Sen. Schoeppel explained that the bill would "suspend the loss of acreage penalty for overplanting for the 1958 harvest, as provided in Public Law 85-203 ... leaves intact the provisions of Public Law 85-203 with respect to wheat acreage credit --- permits the provisions of Public Law 85-203 to become fully effective as to wheat acreage credit for the 1959 crop, and subsequent years." pp. 3301, 3339-40
17. FOREIGN TRADE; PRICE SUPPORTS. Sen. Schoeppel inserted a statement by the Committee of Kansas Farm Organizations supporting the 5-year extension of the Trade Agreements Act and lower tariffs, on the ground that such special subsidies were unfair to the farmer, and urging continuation of present price supports until "some better method of handling the situation is devised." pp. 3319-20  
Sen. Fulbright inserted two articles and an editorial about Sen. Monroney's proposal for an international development association. pp. 3335-7  
Sen. Humphrey urged that the U. S. grant India \$900 million in direct economic aid, and inserted two articles on "India: Deepening Crisis." pp. 3342-6
18. SECOND SUPPLEMENTAL APPROPRIATION BILL. Began debate on this bill, H. R. 10881. pp. 3312, 3342, 3346-93  
Agreed to the Committee amendments en bloc, and the bill as thus amended became original text for purposes of further amendment. p. 3346  
Agreed to an amendment by Sen. Knowland to provide \$3,500,000 for construction of a sports arena on forest lands for the 1960 Olympic Winter Games. pp. 3363-70  
Rejected an amendment by Sen. Proxmire to provide that no part of the funds for the acreage reserve program shall be used to authorize compensation to any one individual or corporate participant in excess of \$3,000. pp. 3373-77  
Rejected, 36 to 48, a motion by Sen. Hayden to suspend the rules for consideration of his amendment to provide for a 30 percent increase in acreage allotments for cotton; he stated that otherwise his amendment would be subject to a point of order. pp. 3377-93  
A point of order was sustained against an amendment by Sen. Proxmire which would have provided that, with regard to funds for the acreage reserve program, "the same \$3,000 limitation which was applicable to the original \$500 million authorization shall also apply to the additional \$250 million authorized herein, so that a single producer or participant may receive no more than \$3,000, whether he operates 1 or more than 1 farm (except for winter wheat)." pp. 3370-73  
Following are additional excerpts from the committee report on this bill:  
Translations (Commerce Department): "Funds for the initiation of a program to make available to American science and industry translations of foreign documents in the fields of technology and applied science are requested in the regular 1959 budget, and this committee, like the House committee, expects to consider this matter further during the hearings on that estimate. Therefore, this committee agrees with the House in not recommending funds for this item at this time."







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued March 13, 1958  
For actions of March 12, 1958  
85th-2d, No. 39

## CONTENTS

Acreage allotments	.....3,4,5,15	
Appropriations.....	16	
Budget.....	19	
Corn.....	4	
Dairy industry	.....3,10,11,14,23	
Electrification.....	6	Price supports.....3,10,11
Farm program.....	11,14,22	Public works.....1
Flood prevention.....	16	Research.....21
Foreign aid.....	18	Rice.....26
Forestry.....	8,14,24	Small business.....13
Housing.....	2	Soil bank.....9
Parity formula.....	25	Soil conservation.....11
		Statehood.....12
		Territories.....17
		Tobacco.....14,21
		Trade agreements.....7
		Water pollution.....20
		Watersheds.....16
		Wheat.....5,15,22

HIGHLIGHTS; House committee ordered reported bills to prohibit 2 crops a year for same tobacco allotment and extend special dairy donation programs. House committee reported bill to use actual past acreage for wheat acreage history. House received budget amendment to speed up watershed projects. Senate passed housing bill. Senate agreed to resolution to accelerate public works programs. Sen. Proxmire criticized order to cut dairy price supports. Senate made measure to freeze acreage allotments and price supports unfinished business. Sen. Proxmire and others introduced and Sen. Proxmire discussed dairy products marketing bill. Sens. Sparkman and Hill and Rep. Roberts introduced and Sen. Sparkman discussed bills to make transitional parity formula inoperative for the 1958 crop year.

## SENATE

1. PUBLIC WORKS. Agreed to as reported, by a vote of 93 to 1, S. Con. Res. 68, expressing the sense of Congress in favor of accelerating civil construction programs for which appropriations have been made. pp. 3633-40
2. HOUSING. Passed with amendments, by a vote of 86 to 0, S. 3418, the housing bill, including rural housing. pp. 3599-3633, 3640-42, 3643-45, 3652-62  
Rejected, by a vote of 47 to 48, an amendment by Sen. Monroney which would have stricken from the bill the section providing for a maximum increase in the interest rate for veterans guaranteed mortgages from  $4\frac{1}{2}$  to  $4\frac{3}{4}$  percent. pp. 3607-41  
Agreed to, by a vote of 45 to 43, a unanimous-consent request by Sen. Capehart to lay on the table an amendment by Sen. Long which would have stated that "it is the sense of the Congress that interest rates for housing loans as of March 12, 1958, were too high, and that the Federal Reserve Board should

exercise its powers to assure that an adequate volume of money and credit should be available to assure that housing loans subject to guaranties by instrumentalities of the United States Government should be available at a rate not to exceed 4½ percent per annum (assuming that no discount is paid)." pp. 3657-59

3. PRICE SUPPORTS; ACREAGE ALLOTMENTS. S. J. Res. 162, to freeze acreage allotments and price supports at not less than 1957 levels, was made the unfinished business. Agreed to a unanimous consent agreement limiting debate on the measure to 3 hours on any amendment, and to 4 hours on the question of final passage. Agreed to a similar unanimous consent agreement for later debate on S. J. Res. 163, freezing price supports on dairy products at not less than 1957 levels. pp. 3663-64
4. CORN ALLOTMENTS. In reporting S. 3441 (see Digest 37), the committee described the bill as follows:

"This bill would prescribe a minimum corn acreage allotment for 1958, 1959, and 1960 of 54 million acres. In addition, it would condition price support for any crop of corn for which an acreage reserve program is in effect on devotion of an acreage equal to 15 percent of the farm corn acreage allotment to either the acreage reserve program for corn or the conservation reserve program."
5. WHEAT ALLOTMENTS. In reporting S. 3406 (see Digest 37), the committee described the bill as follows:

"This bill would make the following changes in the method of counting wheat acreage planted in 1958 and subsequent years in the computation of future State, county, and farm acreage allotments:

"(1) Without regard to the actual acreage planted (and contrary to the provision enacted last year that excess wheat acreage shall not be counted), each farm would be regarded for the purpose of future farm-acreage allotments as having planted its 1958 base acreage in 1958. If the 1958 farm acreage allotment is increased administratively or as a result of review or court action, the 1958 base (and consequently the farm-acreage credit for 1958) would be increased proportionately. (In computing future State and county acreage allotments, wheat planted in 1958 in excess of allotments would not be counted. However, no change in existing law will be made by the bill in this regard.)

"(2) To the extent of the farm-base acreage, both planted and diverted acreage in 1959 and any subsequent year would be counted toward future State, county, and farm acreage allotments, even though the planted acreage exceed<sup>ed</sup> the farm-acreage allotment, if all of the marketing excess is delivered to the Secretary or stored so that no marketing penalty becomes due."
6. RURAL ELECTRIFICATION. Sen. Humphrey inserted a resolution of the Northern Electric Coop. Ass'n, Virginia, Minn., which urged adequate REA funds without higher interest rates. p. 3585
7. TRADE AGREEMENTS. Sen. Humphrey inserted a letter from the Port Director, Duluth, Minn., supporting extension of the Trade Agreements Act. p. 3585
8. FORESTRY. Sen. Humphrey inserted a letter from the Lake George, Minn., Conservation Club, urging increased funds for wildlife and recreation in national forests. p. 3585



have the resources, but will have to work for years to change State laws to utilize present financial resources, and to develop their potential resources. But our schools, our children's schools—our children can not wait ten or twelve years for a school. Today's children need help today. It is proper that the States and local communities should make the greatest effort, but even using all the States' resources we would still be short. Today well over half—almost two-thirds of the money used to run our schools comes from local resources. Local funds, as we all know, must rely heavily on property taxes. And your property taxes—both on real property and on personal property—are about as high as you can stand.

We cannot expect these heavy taxes to be raised because some people don't want Federal resources touched, and because some people may lose heavy personal gains if Federal funds now available were used to build schools. This is the simple fact.

Enough has been said about this shortage among groups such as this great labor organization, which is willing to face up to this problem on the merits. Further delay will only increase the seriousness of our alarming classroom shortage. This the Nation cannot afford. It is false economy. We can never save money by short-changing the children of America. We are doing just that when we do not enact Federal aid legislation to help meet this emergency situation. The problem has reached flood-tide proportions—State and local sandbags will not hold much longer. It is increasingly apparent that only a federally supported program of school construction can avoid a serious washout.

The impact of our times makes a program of Federal assistance to education an even urgent necessity. The scientific advances of recent months dramatically underline the Nation's need for a continually improving educational program which is not limited to the need for better facilities. We must also find ways of getting and retaining more qualified teachers, of encouraging the education of the gifted, of raising the quality of education. This is a program which will adequately prepare the Nation's children for the broader horizons which stretch even into the limitless beyond of outer space. If there was ever a time for the Nation to take stock of its materials for the future the time is now.

I do not want to pass over, or derogate many good bills which are now before the Congress. But I will mention one briefly. Because of the unique demands of the times in which we live I have joined with a number of other Senators, Republican and Democratic, in cosponsoring a bill introduced by Senator MURRAY which would authorize assistance to the States and local communities to help stimulate school construction and to remedy the inadequacies in the number of teachers and in their salaries. Although we recognize that responsibility for providing adequate school facilities and teaching staffs rests primarily with the States and local communities, we believe the national interest requires that the Federal Government assist them in solving these pressing problems.

S. 3311 would provide a program of Federal grants to the States based on a contribution of \$25 per school-age child in the first year rising to \$100 per child in the fourth year and each year thereafter. With approximately 40 million school-age children, Federal funds could amount to slightly over a billion dollars in the first year of the program.

This legislation, if enacted, would provide for a reasonable Federal sharing in the basic financial support of education and would leave the responsibility and full discretion to the States in dividing their Federal allotments between salaries and con-

struction. Since this proposal is to aid the States in financing an almost overwhelming burden there would be no requirement for the States to match Federal funds, but they will be required to keep their effort index at the same level as the national educational effort index or above it.

In my opinion, we need Federal legislation of this scope and size in order to keep our freedom and our leadership in the world.

I heartily agree with the Resolution of your Executive Council last month when it stated, "There can be no disagreement about the need to protect America's most precious asset—its children. \* \* \* There must be no limit on what we do to protect and strengthen this asset." In urging the "Administration and Congress to move boldly and quickly" you have once again demonstrated your full support for education in this country. For, as the resolution concludes "the future of our children and the world they inherit is at stake."

We need to broaden our outlook to match the explosive expansion of our age. If our educational system is to be "re-tooled" in order to help us meet today's challenges and tomorrow's plans, we must, in the national interest, recognize the actual significance of the impact of education upon the Nation's present and future security. The Federal Government cannot ignore the Nation's vital educational needs, nor can it be bound by attitudes and opinions which perhaps in the past have seemed merely provincial or dilatory, but which in today's fast-moving world constitute a real threat to our continued existence.

There are other aspects of our educational needs, about which I wish I could speak.

We should maintain our aid to education for Federally affected areas, which is now being threatened. We should see to it that any school construction bill embodies the Bacon-Davis Act—and if you permit a little partisanship, both of these men were Republicans.

Today there are almost 90,000 teachers in our public schools who are not prepared well enough to be certified as qualified teachers. Speaking frankly again, on the low salaries now offered teachers one can't expect to attract a great number of professionally qualified men and women to teaching. We know that not many of today's college students will go into teaching. Worse still, we know that at least 7½ percent of the qualified teachers we now have will leave the profession this year, as they have done in former years. Teaching is hard, even under the best conditions. But today, with classes badly overcrowded, with schools unfit and unsafe for use, with essential school facilities lacking, with clerical work piled up on already heavily burdened classroom teachers, with little or no relief from their low salaries in sight—and it won't materialize without Federal aid in most places—what is offered to enable a community to hold its teachers?

While Federal aid for school construction is necessary, we need, also, Federal aid to enable the States to hold qualified teachers in the classrooms.

I've talked on school needs and Federal aid in general terms today because I know I'm talking to an audience whose views are sympathetic to these problems.

You, in the labor movement have good cause to be in the forefront of this fight today. It's where labor has been since the Revolution. There's no more stirring story in our national history than is labor's fight for the establishment of the free public school system. I know the textbooks will tell of the part played by Barnard, by Horace Mann to establish the free public school. And they did a magnificent job.

But before them as long as there was light at night after work, and as soon as there was

light in the morning before work, labor put in time to help build schoolhouses for their children and for their neighbors' children. Their pay was the better chance in life they were building for their children. Today, as then, organized labor is still determined to build more, good, schoolhouses for America's children.

We are facing a disturbing economic situation. We know we must adopt a constructive program which will enable us to combat the threat of an economic crisis. We know that action to meet this threat must be put in full operation. We cannot detach man from his economic problems nor from the world of which these problems are a part. We must use all possible means to understand the issues and to find the ways through which to meet them.

The power, the dignity, and indeed, the sanctity of the individual men and women must be preserved and developed in an atmosphere of freedom. It is through a program of better education, a program to awaken thought and to develop ideas that we may approach these objectives. In this program, I expect now as ever before, that organized labor will play a significant role.

#### SUPPORT PRICES FOR DAIRY PRODUCTS — UNANIMOUS - CONSENT AGREEMENT

Mr. JOHNSON of Texas. Mr. President, on behalf of the minority leader and myself, I send to the desk a proposed unanimous-consent agreement and ask that it be read.

The VICE PRESIDENT. The proposed unanimous-consent agreement will be read.

The proposed agreement was read, as follows:

*Ordered*, That during the further consideration of the joint resolution (S. J. Res. 163) to stay any reduction in support prices for dairy products until Congress can make appropriate provision for such support prices, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 3 hours, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said joint resolution shall be received.

*Ordered further*, That on the question of the final passage of the said joint resolution debate shall be limited to 4 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said joint resolution, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

#### SUPPORT PRICES ON ACREAGE ALLOTMENTS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Senate Joint Resolution 162.

The VICE PRESIDENT. The joint resolution will be stated by title for the information of the Senate.

The CHIEF CLERK. Calendar No. 1377, Senate Joint Resolution 162, to stay any reduction in support prices or acreage



allotments until Congress can make appropriate changes in the price support and acreage allotment laws.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

Mr. JOHNSON of Texas. Mr. President, I should like to state for the information of the Senate, with reference to the unanimous-consent agreement which has just been stated, that I have an identical unanimous-consent agreement with respect to Senate Joint Resolution 162. If I could get the Senate to enter into the two unanimous-consent agreements, we could proceed with the consideration of Senate Joint Resolution 162, and when action has been completed on that joint resolution, we could take up Senate Joint Resolution 163, on dairy price supports.

The proposed unanimous consent agreement submitted by Mr. JOHNSON of Texas on Senate Joint Resolution 162 is as follows:

*Ordered*, That, during the further consideration of the joint resolution (S. J. Res. 162) to stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 3 hours, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said joint resolution shall be received.

*Ordered further*, That on the question of the final passage of the said joint resolution debate shall be limited to 4 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders or either of them, may, from the time under their control on the passage of the said joint resolution allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the unanimous-consent agreements are entered.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. JOHNSON of Texas. I understand that both unanimous-consent agreements have been agreed to.

The VICE PRESIDENT. Both unanimous-consent agreements have been entered.

The question is on agreeing to the motion of the Senator from Texas to proceed to the consideration of Senate Joint Resolution 162.

The motion was agreed to; and the Senate proceeded to consider the joint resolution.

Mr. JOHNSON of Texas. Mr. President, I should like to announce for the benefit of all Senators that, so far as I know, there will be no controversial matters to come before the Senate requiring a yea-and-nay vote this evening. The Senate will meet tomorrow morning at

10 o'clock, and we expect to have an evening session tomorrow and for the rest of the week, if necessary, and also have a Saturday session, if necessary, in the hope of concluding action on the two joint resolutions and on the tax bill.

#### AUTOMOBILE EXCISE TAXES

Mr. DOUGLAS. Mr. President, I ask that my amendment to H. R. 10021, designated "3-10-58-F," be modified as in the text I now send to the desk. I further ask that the amendment be printed as modified, so that Senators may have it before them in the RECORD tomorrow morning.

The purpose of my modification is to meet the objections advanced by certain of the automobile companies that the prospect of a decrease in the automobile excise taxes will prevent sales while customers are anticipating such a tax cut.

My modified amendment meets these objections by providing for refunds of the excise taxes paid by the customers after March 1, 1958.

Therefore, a customer who buys a car tomorrow will know that if the automobile excise reduction proposed in my bill shall be finally passed, he will receive a refund of the tax.

The VICE PRESIDENT. The amendment, as modified, will be received, printed, and lie on the table.

#### AMENDMENT OF CAREER COMPENSATION ACT OF 1949, RELATING TO CERTAIN TRANSPORTATION

Mr. SPARKMAN. Mr. President, what seems to me to be an unfair procedure has been brought to my attention on several occasions recently. I refer to the practice of the armed services not defraying the transportation costs of dependents, household effects, and so forth, of service personnel separated under other than honorable conditions to a location beyond the port of entry.

Under the present practice, the family of a man from Alabama serving in Japan but separated under other than honorable conditions could be stranded in the port of entry, say San Francisco.

The Defense Department should at least have the authority to pay the expenses of transportation of the dependents and household effects of such a person to a destination determined by the Department and the serviceman to be his home.

I have checked with authorities in the Department of Defense and am advised that legislation such as I propose will be necessary to give such authority.

I now introduce a bill which covers the matter.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3465) to amend section 303 of the Career Compensation Act of 1949, as amended, to authorize in all cases the transportation of dependents, baggage, and household effects under certain conditions, introduced by Mr. SPARKMAN, was received, and read twice by its title, and referred to the Committee on Armed Services.

#### AMENDMENT OF AGRICULTURAL ACT OF 1938, RELATING TO PARITY FORMULA FOR CERTAIN AGRICULTURAL COMMODITIES

Mr. SPARKMAN. Mr. President, from conversations with leaders in agriculture, I am convinced that the level of price support for the basic agricultural commodities for 1958 other than cotton, tobacco, and rice will be around 75 percent of parity unless Congress acts to impose a higher level. Seventy-five percent is the minimum level that the Secretary of Agriculture can establish under present law. In some instances, this would assure that farmers will receive a lower level of support for their commodities in 1958 than they received in 1957.

There is one provision of law which, coupled with the 75 percent support level—or in fact any support level—will serve to reduce further farm income in 1958 on basic commodities of peanuts, corn, and wheat unless the provision is made inoperative. This provision is the so-called transitional parity provision, which does not affect cotton, tobacco, and rice because they have already reached new parity.

A few years ago, legislation was enacted which eliminated old parity, determined on the 1910-14 period, and substituted a so-called new parity. In the majority of instances, new parity for the various commodities was substantially below old parity. In order to prevent farm income from decreasing drastically in any 1 year, legislation was enacted which in effect prevented more than 5-percent change in parity price in a given year. However, since the support level is going to be materially less for several of the basic commodities in 1958, I am introducing a bill for the Senator from Alabama (Mr. HILL) and myself which would make the transitional parity formula inactive for the 1958 crop year.

Without this legislation, the effective support level for peanuts, corn, and wheat would be 90 percent of old parity. With this proposed legislation, the parity price would be 95 percent of old parity for these commodities. In other words, the percentage of parity received on these commodities in 1958 under our bill would be the same as that received in 1957.

Attached is a table showing the effect this proposed provision would have on assuring farmers higher income on corn, wheat, and peanuts, which I ask unanimous consent to have printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the table will be printed in the RECORD.

The bill (S. 3466) to amend the Agricultural Adjustment Act of 1938, as amended, to make the transitional parity formula inoperative for basic agricultural commodities for 1958, introduced by Mr. SPARKMAN (for himself and Mr. HILL), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

The table presented by Mr. SPARKMAN is as follows:







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued March 14, 1958  
For actions of March 13, 1958  
85th-2d, No. 40

## CONTENTS

Acreage allotments.....1		
Adjournment.....26		
Animal diseases.....36		
Appropriations.....46		
CCC loans.....33		
Contracts.....7,23,40		
Cotton.....12	Legislative program.....25	Reclamation.....9,22,27
Dairy price supports.....2	Livestock loans.....41	Research.....20,28,35,36,38
Economic situation.....20	Meat inspection.....31	Roads.....4,13
Farm income.....18,20	Monopolies.....39	Saline water.....38
Farm program.....3,30,45	Onion futures.....11	Soil bank.....20
Flood control.....15	Parity formula.....37	Soil conservation.....35
Food stamps.....20	Personnel.....32	Taxes.....34
Foreign aid.....43	Power.....9	Transportation.....24
Foreign trade.....5,21	Price supports .....1,2,3,12,19	Water, utilization.....14 conservation.....35
Forestry.....13,16,28	Property.....34	Virgin Islands.....8
Information.....42,44	Public works.....6,17	Wheat.....10
Law.....29		

HIGHLIGHTS; Senate passed measure to freeze acreage allotments and price supports (including dairy price supports). Rejected a measure to freeze only dairy price supports. Sen. Proxmire inserted Secretary's letter declining to debate farm issues with him. House committee ordered reported bill to authorize additional flexibility in price supports for extra-long staple cotton. House passed bills to: grant relief to certain farmers who overplanted wheat allotments; prohibit onion futures trading; authorize road appropriations. Rep. Reuss criticized Secretary's farm income statements.

## SENATE

1. PRICE SUPPORTS; ACREAGE ALLOTMENTS. Passed, by a vote of 50 to 43, S. J. Res. 162, to prohibit any reduction in price supports or acreage allotments for any commodity, except tobacco, below 1957 levels. (pp. 3790-3837) (See Digest 37 for fuller explanation of the resolution.)
2. DAIRY PRICE SUPPORTS. Rejected, by a vote of 43 to 50, S. J. Res. 163, to prohibit any reduction in support prices for dairy products. (pp. 3837-44) It was explained during debate on this measure that S. J. Res. 162, which had been passed earlier, prohibited reductions in dairy price supports, and thus this resolution was not necessary for the purpose intended.

3. FARM PROGRAM. Sen. Proxmire inserted the Secretary's letter to him declining to debate farm issues with him, and expressed disappointment that the Secretary declined. p. 3773  
Sen. Humphrey inserted an article critical of proposals that more farmers should leave the farm as an aid in solving the problem of over-production of farm commodities. p. 3787  
Sen. Dirksen inserted the text of a publication by this Department, "Facts About Price Supports," including tabular material on the costs of price support programs. p. 3884-85
4. ROADS. A subcommittee of the Public Works Committee ordered reported S. 3414, to authorize appropriations for continuing the construction of roads. D207
5. FOREIGN TRADE. A subcommittee of the Banking and Currency Committee ordered reported S. 3093, to extend for an additional 2 years the Export Control Act. p. D207  
Sen. Humphrey inserted a recent address he made suggesting ways for improvement of foreign aid program, including extension of Public Law 480. pp. 3788-90
6. PUBLIC WORKS. Sen. Case, S. Dak., inserted tabular material summarizing unexpended and unobligated balances for public works programs by agencies. pp. 3782-83
7. CONTRACTS. Both Houses received from the Secretary of Defense a proposed bill to extend the Renegotiation Act of 1951 for 2 years; to H. Ways and Means and S. Finance Committees. pp. 3747, 3750
8. VIRGIN ISLANDS. Received from GAO a report on review of selected activities of the Government of the Virgin Islands. p. 3750
9. RECLAMATION. Sen. Mansfield expressed pleasure that, according to an article he recently read, the Administration plans to submit to Congress a request for funds for the Helena Valley irrigation project, and the Fort Peck-Dawson Co. power transmission line. p. 3759

#### HOUSE

10. WHEAT. Passed as reported H. R. 11086, to grant relief from penalties of certain farmers who overplanted their wheat acreage allotments. pp. 3693-4
11. ONION FUTURES. Passed with amendment H. R. 376, to prohibit futures trading in onions (pp. 3694-5, 3696-3713). Rep. McIntire's amendment to include Irish potatoes was stricken on a point of order (p. 3706-7). Agreed to Rep. McIntire's amendment to allow existing futures contracts to remain valid (p. 3708). Rejected Rep. Krueger's motion to recommit the bill (p. 3713).
12. COTTON. The Cotton Subcommittee ordered reported to the Agriculture Committee H. R. 11399 (introduced by Rep. Gathings), to authorize additional flexibility in price supports for long-staple cotton. p. D208
13. ROADS. Passed as reported H. R. 9821, to authorize appropriations for Federal aid for road construction, including funds for forest highways, roads and trails. pp. 3695-6, 3719-23





85TH CONGRESS  
2D SESSION

# S. J. RES. 162

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IN THE HOUSE OF REPRESENTATIVES

MARCH 13, 1958

Referred to the Committee on Agriculture

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## JOINT RESOLUTION

To stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws.

1      *Resolved by the Senate and House of Representatives*  
2      *of the United States of America in Congress assembled,*  
3      That in order to prevent reductions in support prices or  
4      acreage allotments prior to consideration by Congress of  
5      such changes in the price support and acreage allotment  
6      laws as may be necessary at this time—

7            (1) the support price (in terms of dollars and  
8      cents) for any agricultural commodity, except tobacco,  
9      shall not be less than that available for such commodity  
10     during the marketing year or season which began in  
11     1957; and



1           (2) the total acreage allotted for any agricultural  
2 commodity, except tobacco, shall not be less than that  
3 allotted for the 1957 crop of such commodity, and sec-  
4 tions 302, 303, and 304 of the Agricultural Act of 1956  
5 (relating to minimum National, State, and farm acreage  
6 allotments for 1957 and 1958) shall be extended to  
7 apply to each crop of upland cotton and rice, respec-  
8 tively, to which this resolution is applicable.

9 This resolution shall be effective only until such time as  
10 Congress shall make other provision for price supports and  
11 acreage allotments and provide for the repeal of this resolu-  
12 tion. Nothing in this resolution shall be construed to repeal  
13 or modify any law enacted in the second session of the  
14 Eighty-fifth Congress or to require price support to be made  
15 available if marketing quotas have been disapproved by  
16 producers, or to noncooperators in the case of any basic  
17 agricultural commodity.

Passed the Senate March 13, 1958.

Attest:

FELTON M. JOHNSTON,

*Secretary.*



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## JOINT RESOLUTION

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To stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws.

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MARCH 13, 1958

Referred to the Committee on Agriculture



Mullins, president of the Wolfe City National Bank of Wolfe City, Tex. In his introduction Mr. Mullins appropriately noted that the 84th Congress had passed the Bank Holding Company Act of 1956. The Independent Bankers Association had sought for better than 14 years to have this important banking legislation passed by Congress. It is in fact a Magna Carta for independent banks. It has as its purpose the preservation of the independent banking system and the prohibition of the growth and development of the bank holding company apparatus.

The president-elect of the IBA is Mr. R. E. Gormley of the Georgia Savings Bank & Trust Co. of Atlanta, Ga. I ask unanimous consent to have printed in the RECORD the association officers and executive council.

I also ask unanimous consent to have printed at this point in the RECORD excerpts of my address.

Also, I ask unanimous consent to have printed a recent article by Sylvia Porter entitled "United States Economy Needs Fruits of Foreign Aid." Miss Porter's article fortifies the points that I sought to develop in my address to the independent bankers.

Finally, I wish to pay a special tribute to a fellow Minnesotan, Mr. Ben DuBois, secretary of the IBA, from Sauk Centre, Minn., and to his assistant, Mr. Howard Bell. Mr. DuBois is a dedicated servant of and crusader for independent banking. He typifies that spirit of rugged individualism with a social consciousness that has made America's smaller communities areas of opportunity and friendliness.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

#### ASSOCIATION OFFICERS

R. L. Mullins, president, the Wolfe City National Bank, Wolfe City, Tex.; R. E. Gormley, first vice president, Georgia Savings Bank & Trust Co., Atlanta, Ga.; O. K. Johnson, second vice president, Whitefish Bay State Bank, Whitefish Bay, Wis.; A. W. Hoese, treasurer, Security State Bank, Glencoe, Minn.; Ben DuBois, secretary, Sauk Centre, Minn.; Howard Bell, assistant secretary, Sauk Centre, Minn.

#### EXECUTIVE COUNCIL

R. L. Adams, Bank of York, York, Ala.; E. E. Bailey, Princeton Bank & Trust Co., Princeton, W. Va.; Marshall Barnes, Beaver Dam Deposit Bank, Beaver Dam, Ky.; D. Emmert Brumbaugh, the First National Bank, Claysburg, Pa.; W. J. Bryan, Third National Bank, Nashville, Tenn.; Eugene W. Carlton, Durham Industrial Bank, Durham, N. C.; D. Fay Case, Security State Bank, Cannon Falls, Minn.; R. J. Castille, Guaranty Bank & Trust Co., Lafayette, La.

#### AMERICAN ECONOMY AND ITS EFFECT ON FOREIGN POLICY—REMARKS BEFORE ANNUAL CONVENTION OF INDEPENDENT BANKERS ASSOCIATION, DALLAS, TEX., MARCH 8, 1958

Nothing in the economic field is more important right now than a full public understanding of the vital interrelationship of a dynamic national economy, an expanded mutual-security program, and liberalized foreign-trade effort. Tonight I should like to discuss these three key factors. Let me turn to trade policy first.

The trade policy of the United States is clearly in serious trouble in the Congress. In my opinion, it is absolutely essential that the

reciprocal trade extension be passed without crippling amendments. If we present to the world a mutilated trade program we will have taken a step to discourage free world unity at the very time when the Soviet Union is in the midst of a trade offensive, however phony it may be.

Obviously, the closer our economic relations with our allies, the more stable our political and military ties will be; contrariwise, the weaker our economic relations, the less effective our political and military unity against Soviet imperialism.

There are also compelling reasons for a liberal trade policy, since American ingenuity in most fields easily competes in world markets.

However, there are certain selected and very limited industries which might be temporarily adversely affected by changes in our trade policy. It is my opinion that the Federal Government should assist industries, workers, and communities so effected to readjust to more competitive lines. In past Congresses I have introduced a comprehensive trade-adjustment program. In my opinion, this would be a far better solution than the various amendments which are presently being offered.

Therefore, I announce here and now that I shall propose the trade-adjustment program as an amendment to the reciprocal-trade bill when it comes before the Senate for consideration. Together they will provide a strong, imaginative trade package which the Congress should endorse and the administration should support in the interest of a strong free world and of a rising living standard for us all.

The trade-adjustment program would establish a governmentwide adjustment-assistance board which would be empowered to assist communities, workers, and industries adversely affected by trade policy to readjust to more competitive lines. The program would provide that if the President in the overall national interest disregards the escape clause or peril point findings of the Tariff Commission, he could at the same time authorize the Board to extend the following benefits to United States communities and industries which are hurt by foreign competition:

1. The Government would finance technical assistance to companies and communities needing it, to encourage diversification. Engineers, market researchers and other technicians would be financed for expert surveys out of Federal funds. Easier tax provisions for building new plants would be allowed, and import firms would be encouraged to enter such communities to stimulate new markets.
2. Under present law, jobless payments last for varying periods up to 26 weeks. The trade-adjustment program provides that these payments would be extended for an additional 26 weeks over authorized State limits.
3. Workers would be provided counseling, placement and special training allowances, coupled with special moving allowances for workers seeking employment in other areas and fields.

The situation is all the more urgent because of the recession now engulfing us at home. One way to keep American workers at work is to maintain our export markets abroad. Obviously since the United States exports far more than it imports, there are more workers employed in our export trade than could possibly be adversely affected by import competition.

One of the grandiose fallacies of the high-tariff-protectionist argument has always been that higher tariffs protected American jobs. For every possible job they ostensibly protect, two or three are lost through retaliatory tariff restrictions abroad against our exports. It is shocking indeed

to realize that our good neighbor and best customer, Canada, has recently moved to boycott American goods because we have set up so many barriers to Canadian exports.

Not only will an expanded reciprocal trade program help America recover from the recession, but it is required by the international political facts of life. Trade is now a primary weapon in the arsenal of the Communist economic offensive. Trade missions from the Soviet Union, Communist China, and the satellite countries have been busy, especially in the uncommitted countries of Asia and the Middle East. The number of trade agreements negotiated between the Communist bloc and other countries has more than doubled since 1953.

In the face of commonsense economics at home and the Communist offensive abroad, let us not respond with an inconsistent, ostrichlike trade policy of high tariffs and threats of higher ones. To help those American industries which have a legitimate grievance against low-cost foreign competition, the Trade Adjustment Act which I have sponsored in Congress would be an effective temporary cushion during the adjustment period. That act would not be a permanent subsidy, but justifiable temporary assistance to help industries over the hump of accommodation to a new period of economic life.

#### NATIONAL ECONOMY

Meanwhile we move on other fronts to halt the recession we are now suffering. Partly for want of sound programs and partly because of rampant influences of selfish interests, an estimated 5 million Americans, many with dependents, are totally unemployed. Uncounted additional millions are working only a few hours per week. Farmers suffer depressed conditions. Bankruptcies are at the highest rate in our history, business failures at a rate equal to the early 1930's. Steel production is at only fifty-some-odd percent of capacity.

You know as well as I, that tight money has worked a severe hardship on small business and has given large corporations even a bigger advantage over their small competitors.

Another factor in the present recession and increased unemployment is contained in the budget. Percival F. Brundage, Director of the Bureau of the Budget, sent orders to agency heads last summer to hold spending in line with fiscal 1957. This order, which came to light despite the efforts of the administration to keep it quiet, meant a cut in spending of over \$2 billion from what the President in January had recommended. Although the President told the American people that his budget of \$71.8 billion for 1958 provided funds for all necessary Government activities on a reasonable scale, his Budget Director directed agency heads to start cutting.

A recession here can amount to a major Communist victory. It could be more important than winning the missile race. We cannot afford to permit this recession to continue to risk the very real threat of a depression. It is time we take off our blinders and see what is happening. The Soviet Union's sputniks, if nothing else, should have made us realize that we are facing a foreign power with tremendous scientific knowledge, productive capacity, and know-how. We can no longer afford to remain complacent. In the past year alone it is reported that the Soviet economy expanded by 10 percent and if the present trend continues the Soviet Union will match use in the entire economic field within a generation.

It is time for America to realize that there are worse things in life than an unbalanced budget—and one of them is the loss of our fight against Soviet totalitarianism. Freedom must take priority over balanced budgets and reduced expenditures.



## MUTUAL SECURITY

Turning, in conclusion, to mutual security, we have to recast our whole foreign-aid program so that it goes to the people who need it most and goes to increase liberty. Then we can negotiate realistically with the Soviets and the Chinese for peaceful settlements of outstanding disputes, because they will then no longer be able to gain from the lack of settlements.

Here are 10 proposals to improve our foreign-aid program:

1. Place it on a continuous—perhaps 10-year effort—toward positive goals, rather than a spastic year-to-year effort.

2. Place the program under the direction of men aware they are dealing with a social revolution, men who know what reform is and how to get it, men infused with enthusiasm for practical, working democracy.

3. Work in the closest cooperation with our NATO allies, endeavoring to enlist their support and agreement on joint efforts in the mutual-security field.

4. Divorce military aid from our economic and technical-assistance programs, so that the latter are not overshadowed or adversely conditioned by the former.

5. Tie our aid program more closely to the work of the United Nations technical agencies, and increase our participation in multilateral projects.

6. Expand our foreign-aid program as our own national income expands, with concentration on long-term, low-rate loans.

7. Emphasize aid to free nations which are deliberately, successfully planning to increase the democratic life of their people.

8. Include measures to finance a certain amount of consumer credit, so that hungry people do not have to wait a lifetime before their lot is improved.

9. Extend the use of our food and fiber reserves under Public Law 480 for enlightened foreign-policy objectives.

10. Make a special effort immediately to double the administration's program for assistance to India by providing the extra \$250 million which India needs to insure the success of its second 5-year plan. The loss of India could well mean the surrender of Asia to communism.

## UNITED STATES ECONOMY NEEDS FRUITS OF FOREIGN AID

NEW YORK.—How can I convince you—one of our Nation's 5 million jobless, or an American business being badly hurt by competition from foreign imports—that billions of dollars of tax money must be spent for foreign aid this year and it is imperative that Congress continue a trade policy encouraging imports of goods?

Will you willingly accept the argument that more than 4,500,000 American workers earn their living in activities directly created by foreign trade, and that there is scarcely an individual in our land who is not dependent in some degree upon our world-trade activities?

Will you believe the statement that nearly 80 cents out of every dollar we vote for economic assistance to underdeveloped nations is spent directly in the United States, and that this spending alone provided 600,000 jobs on farms and in factories last year?

Will you take seriously Khrushchev's declaration, last November, of "war upon you in the peaceful field of trade" and realize that unless we boldly counter Russia's aggressive economic offensive in Asia and Africa Russia will say, as she boasts, "win over the United States"?

Will you understand that to a significant extent, our country today is a "have-not" land, increasingly dependent upon the underdeveloped areas of the world for essential raw materials to keep our industries running and that we just cannot afford to have those areas closed to us?

Do you know that we import 100 percent of the coffee, tea, industrial diamonds; more than 50 percent of the asbestos, nickel, chromite, tin, manganese, tungsten, wool apparel, cobalt, bauxite used in our country?

Will you appreciate how much it is in our self-interest to assist in the economic growth of the underdeveloped regions of the globe because these regions represent a tremendous potential market for American goods, and these new customers easily can be our greatest antidepression insurance in the years to come, easily can help lift us to dizzying peaks of prosperity?

Last week I was among more than 1,000 citizens who went to Washington from all over the Nation to attend the President's extraordinary conference on foreign aspects of national security.

Never before has there been a bipartisan demonstration of this caliber.

I'm still a bit awestricken by the fact that on one day on the same platform, I heard speeches agreeing on the imperative necessity of continuing foreign aid and a liberal trade policy from Mr. Eisenhower, Truman and Stevenson, from Nixon, Dulles and Acheson, from Bishop Sheen, Rabbi Feldman and Archbishop Stritch.

Yet, even as I listened to the tens of thousands of words spoken from the platform and in the hotel corridors, the thoughts kept nagging me:

Most of these people are here because they already ardently believe in foreign economic aid and a liberal trade policy. Maybe this unprecedented bipartisanship and this exhilaratingly intellectual atmosphere will make some converts among key Congressmen, but this conference is hardly grass-roots. And even though these delegates now go home and start fighting for support of the President's foreign-aid and trade programs at the local level, I've not heard many practical hints here on how to overcome the hostility to the programs during this cycle of recession.

You, the businessman being directly hurt by foreign imports, are the man who must accept the arguments at the start of this column. You, the worker out of a job today, must appreciate how much your future is involved in our foreign aid and trade.

You, the family in a flood-threatened area, must realize why we spend money on flood control in far-distant lands.

For unless and until you are convinced, conferences won't do the job and our foreign economic aid and trade programs will remain shaky and insecure.

And Russia will continue to make terrifying progress in her relentless war to win the world through trade.

Mr. BIBLE. Mr. President, has morning business been concluded?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

## STAY OF REDUCTIONS IN PRICE SUPPORTS AND ACREAGE ALLOTMENTS

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Senate Joint Resolution 162.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The CHIEF CLERK. Calendar No. 1377, Senate Joint Resolution 162, to stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the joint resolution.

Mr. ELLENDER obtained the floor.

Mr. BIBLE. Mr. President, will the Senator from Louisiana yield to me so that I may suggest the absence of a quorum?

Mr. ELLENDER. Mr. President, I will yield to the Senator for that purpose provided I do not lose my right to the floor and provided that the time is not taken out of the allotment provided in the unanimous-consent agreement.

Mr. BIBLE. Mr. President, I ask unanimous consent that the Senator from Louisiana may yield to me for the purpose of suggesting the absence of a quorum and that the time taken for the call of the roll not be charged to the time embraced within the previous unanimous-consent agreement.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada? Without objection, it is so ordered.

Mr. BIBLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gore	Morse
Allott	Green	Morton
Anderson	Hayden	Mundt
Barrett	Hennings	Neuberger
Beall	Hickenlooper	O'Mahoney
Bible	Hill	Pastore
Bricker	Hoblitell	Payne
Bridges	Holland	Potter
Bush	Hruska	Proxmire
Butler	Humphrey	Purtell
Byrd	Ives	Revercomb
Capehart	Jackson	Robertson
Carlson	Javits	Russell
Carroll	Jenner	Saltonstall
Case, N. J.	Johnson, Tex.	Schoeppel
Case, S. Dak.	Johnston, S. C.	Scott
Chavez	Kefauver	Smathers
Church	Kennedy	Smith, Maine
Clark	Kerr	Smith, N. J.
Cooper	Knowland	Sparkman
Cotton	Kuchel	Stennis
Curtis	Langer	Symington
Dirksen	Lausche	Talmadge
Douglas	Long	Thurmond
Dworshak	Magnuson	Thye
Eastland	Malone	Watkins
Ellender	Mansfield	Wiley
Ervin	Martin, Iowa	Williams
Flanders	Martin, Pa.	Yarborough
Frear	McClellan	Young
Fulbright	McNamara	
Goldwater	Monroney	

Mr. MANSFIELD. I announce that the Senator from Montana [Mr. MURRAY] is absent on official business.

Mr. DIRKSEN. I announce that the Senator from Utah [Mr. BENNETT] is absent because of illness in his family.

The PRESIDING OFFICER (Mr. COOPER in the chair). A quorum is present.

Mr. ELLENDER. Mr. President, I yield myself 10 minutes.

We have before us for consideration a very simple joint resolution. It seeks to maintain the status quo with respect to support prices and acreage allotments until Congress can enact such further legislation as may be required by present distressed conditions in American agriculture.



The resolution would do two things. First, it would prevent support prices on any agricultural commodity from being reduced below the 1957 level, and, second, it would prevent the total allotted acreage for any commodity from being reduced below the total acreage allotted for such commodity in 1957.

It would also continue those provisions of law dealing with the distribution of cotton and rice acreage allotments until Congress has an opportunity to provide appropriate substitute legislation.

Immediate action upon the joint resolution is particularly urgent because the price supports on dairy products are scheduled to drop at the end of this month from \$3.25 per hundredweight for manufactured milk to \$3.03 per hundredweight, and from 58.6 cents per pound for butterfat to 56.2 cents per pound.

In view of the fact that the resolution, as I have just indicated, is proposed purely and simply as stopgap legislation, I earnestly hope that the Senate will not adopt any amendments to it or try to write a new farm bill on the Senate floor.

When the joint resolution was considered in committee a few days ago, as chairman of the Committee on Agriculture and Forestry, I made it plain to the committee—and the committee agreed with me—that we should start immediately on the preparation and presentation to Congress of a long-term farm bill. However, in order to tide our farmers over a critical period which confronts them now, and to give us time to do the thorough job long-range farm legislation will require, the resolution before the Senate now is an urgent necessity.

It is my hope that within the next 4 or 5 weeks, the Senate Committee on Agriculture and Forestry will be able to present and the Senate will promptly pass a bill which will be acceptable and helpful, generally speaking, to the farmers of our Nation, and will tend to improve their present position.

The passage of the joint resolution will not provide much in the way of additional income to the farmer beyond that which he received last year. He may even receive less, depending upon price conditions and whether he has a good year for the production of crops. Last year, it may be recalled, production was very good; as a matter of fact, it is my recollection that last year was one of the best in several years. The only crop which suffered considerably, as I pointed out a few days ago, was cotton crop. Never before in the history of cotton production had a crop of cotton been produced which, because of a lack of favorable weather conditions, farmers were unable to gather.

There are many compelling reasons why Congress should act immediately upon the joint resolution which is now before the Senate. One reason is that the committee intends to consider an omnibus bill, and has already arranged to commence the study of a long-range program, just as soon as humanly possible. An even more important reason is

the present generally depressed state of the national economy.

Yesterday the Senate passed a housing bill providing \$1.8 billion for new housing. Senators said that this stimulant to construction would provide up to 500,000 jobs in the immediate future. The Senate and its committees also are considering many other bills which have to do with stimulating the national economy.

There is little doubt that the national economy is sagging at this time. The Secretary of Labor recently reported that 5.2 million people are now unemployed. Other economists have stated that this figure may well increase unless something were done, and done soon.

There is ample evidence of considerable cutbacks in industrial production. I understand that steel mills are operating at about 55 percent of capacity. The production of automobiles has been reduced, and the production of many other articles also has declined.

In the light of the general economic situation, it seems to me that this is a most inopportune time to ignore the very real depressed state of our agricultural picture.

Realized net farm income, at \$11.5 billion, is at the lowest point since 1942, while production expenses are at an all-time high of \$22.5 billion.

Mr. President, I consider farming to be one of the most important segments of our whole economy. It is necessary to provide a farm income in an amount sufficient to keep farmers in business. I do not know of any segment of the population which could add more to the prosperity of the country than our farmers, if a more prosperous farm income is provided.

As has often been said, most depressions have started with falling farm income. That is the beginning of depressions. Since it is obvious to me that a depression has now started, this is not the time to lower further the income of those who produce our very lifeblood—food and fiber.

There has been a great decrease in the number of farms and the number of people on the farms in the past few years, as well as in the income of this important segment of our economy. In 1952 there were 5.4 million farms in the United States. By 1957 the number had fallen to 4.9 million.

Farm population in 1952 was 24.3 million. Today it is down to 20.4 million.

In 1952, the farm population as a percentage of the total population was 15.5 percent. In 1957 it was only 12 percent. Thus a substantial reduction in our farm economy has taken place each year since 1952.

The income from farming as a percentage of national income has never been so low in the entire history of the Nation. The figures date back to 1910, as I pointed out 2 or 3 days ago. In 1910, farmers received 14.1 percent of the national income. In 1957 that percentage was reduced to 4.2; I repeat: That is the lowest percentage in our history.

With the Nation now facing the awful reality of a growing depression, this is not the time to lower prices farmers receive particularly when farm income is already at an all-time low, expressed as a percent of national income.

I have many other tables which indicate the plight of the farmers and the extent to which his income varies from that of persons engaged in other businesses throughout the Nation. Let us consider, for instance, labor income. In 1952, labor income was \$190.3 billion; in 1957, it was \$246.6 billion, an increase of \$56.3 billion.

The PRESIDING OFFICER (Mr. COOPER in the chair). The time the Senator from Louisiana has yielded to himself has expired.

Mr. ELLENDER. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 5 additional minutes.

Mr. ELLENDER. Mr. President, let us consider business and professional groups. In 1952, they received \$25.7 billion of the total national income. In 1957, they received \$28.7 billion, an increase of \$3 billion.

In 1952 rental income was \$9.9 billion. In 1957, it was \$10.4 billion, up \$0.5 billion.

In 1952, rental income was \$9.9 billion. In 1957, it was \$10.4 billion; up \$0.5 billion.

In 1952, income from dividends amounted to \$9 billion; in 1957, it was \$12 billion, 300 million—up \$3.3 billion.

Now, let us look at farm income—let us see where the depression has been felt for many years.

In 1952, farm income amounted to \$14 billion 300 million; in 1957, \$11 billion 500 million—down \$2.8 billion.

Mr. President, these figures indicate that the most important segment of our economic society—that composed of those who produce the food and fiber without which all of us would wither on the vine—is the only one in whose income has consistently been reduced since 1952, as well as preceding years.

I ask unanimous consent, Mr. President, to have printed at this point in the RECORD the two tables to which I have just referred.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

*Sources of personal income from President's 1958 Economic Report, p. 129*

[Billions of dollars]

Year	Labor income <sup>1</sup>	Business and professional	Rental income of persons	Dividends	Personal interest income	Farm income
1952.....	190.3	25.7	9.9	9.0	12.3	14.3
1953.....	203.4	25.9	10.2	9.3	13.7	13.9
1954.....	201.7	25.9	10.6	9.9	15.0	12.2
1955.....	217.3	27.3	10.2	11.0	16.1	11.6
1956.....	234.8	28.0	10.3	11.9	17.6	12.1
1957 <sup>2</sup> .....	246.6	28.7	10.4	12.3	18.8	11.5

<sup>1</sup> Wage and salary disbursements and other labor income excluding employer contributions for social insurance.

<sup>2</sup> Preliminary.



Data relating to number of farms and farm population, 1952-57

Year	Number of farms	Farm population	Farm population as a percent of total population	Income from farming as a percent of national income
	Millions	Millions	Percent	Percent
1952.....	5.4	24.3	15.5	6.4
1953.....	5.3	22.7	14.3	5.4
1954.....	5.2	21.9	13.5	5.2
1955.....	5.1	22.2	13.5	4.6
1956.....	5.0	22.3	13.3	4.3
1957.....	4.9	20.4	12.0	4.2

Mr. ELLENDER. Mr. President, I hold in my hand another detailed table. It shows the realized net income of the farmer, as compared with his total net income. There has been a gradual decrease from 1943 to the present time. This table includes some of the figures included in the tables I have previously submitted for printing in the RECORD, so I shall not discuss this one in detail. But it includes figures for a few more years, and indicates that the realized net income of farmers has steadily declined since 1951. Senators will note the decline began in 1948 but it was greatly increased after 1951.

By the way, Mr. President, the figures for realized net income are used by the Department of Agriculture as a means of measuring the income of the farm segment of the economy, as compared with the income of all other segments.

I ask unanimous consent to have the table printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Data relating to farm income

Year	Realized net income <sup>1</sup>	Non-money income (value of home consumption and rental value of dwelling)	Total net income <sup>2</sup>	Average Government payments per farm <sup>3</sup>
	Billion	Billion	Billion	
1942.....	\$8.8	\$2.6	\$9.9	\$105
1943.....	11.9	3.1	11.8	106
1944.....	12.2	3.1	11.8	129
1945.....	12.9	3.4	12.4	124
1946.....	15.0	3.8	14.9	130
1947.....	17.2	4.0	15.5	53
1948.....	15.9	4.1	17.7	44
1949.....	13.7	3.5	12.9	32
1950.....	12.9	3.4	13.7	50
1951.....	14.8	3.8	16.1	51
1952.....	14.3	3.9	15.1	51
1953.....	13.9	3.7	13.3	40
1954.....	12.2	3.5	12.7	49
1955.....	11.6	3.4	11.9	45
1956.....	12.1	3.4	11.6	112
1957.....	11.5	3.4	12.1	209

<sup>1</sup> Includes nonmoney income and Government payments in addition to the difference between cash receipts and farm expenses.

<sup>2</sup> Is realized net income adjusted for net changes in farm inventory.

<sup>3</sup> Includes Soil Bank payments as well as all other Government payments.

Source: Farm Income Situation, AMS, USDA.

Mr. ELLENDER. Mr. President, I desire to refer to the index of prices received by farmers, prices paid by farmers, and the parity ratio. These figures are set forth in a very important table which I now hold in my hand. This

table also indicates that the prices received by farmers have been gradually but constantly decreasing and that the parity ratio has been gradually falling, as compared with the situation existing in the 1914 period, whereas prices which have been paid by farmers have been gradually increasing—thereby reducing the parity ratio from year to year.

In that connection, let me refer to a few of the changes: For instance, in 1952, prices received by farmers were 288 percent of those in 1914.

The PRESIDING OFFICER. The time of the Senator from Louisiana has yielded to himself has again expired.

Mr. ELLENDER. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 additional minutes.

Mr. ELLENDER. Mr. President, by way of contrast, we should note that in 1952, prices paid by farmers were 287 percent, and the parity ratio was 100.

But since 1952, the prices paid by the farm segment of the economy have gradually been increasing, whereas the prices received by farmers have gradually been decreasing.

As I have just indicated, in 1952 the index for prices received by farmers was 288 percent, as compared with the situation in 1914. In 1957, it had declined to 242 percent.

Mr. President, in 1952, the index for prices paid by farmers for the things they need was 287; but in 1957, it was 295.

So, as of last year, the parity ratio had declined to 82 percent. The year before, in 1956, it was also 82 percent. In 1955, it was 84; in 1954, it was 89; in 1953, it was 92; and in 1952, it was 100.

So, Mr. President, of all the tables I have submitted for printing in the RECORD, the one to which I now refer shows the darkest picture for the farmers, in contrast to the picture for other segments of the economy.

The PRESIDING OFFICER. The time the Senator from Louisiana has yielded to himself has again expired.

Mr. ELLENDER. Mr. President, I yield myself an additional 3 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 3 additional minutes.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the table to which I have just referred be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Index of prices received, prices paid and parity ratio

Year	Index <sup>*</sup>		Parity ratio
	Prices received	Prices paid	
1952.....	288	287	100
1953.....	258	279	92
1954.....	249	281	89
1955.....	236	281	84
1956.....	235	285	82
1957.....	242	295	82

Source: CSS, USDA.

Mr. ELLENDER. Mr. President, as I understand, I have yielded myself a total of 15 minutes.

The PRESIDING OFFICER. No; the Senator from Louisiana has yielded himself a total of 20 minutes.

Mr. ELLENDER. Very well.

Mr. HUMPHREY. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. HUMPHREY. I thank the Senator from Louisiana for yielding.

I am sure he is aware that this morning the Secretary of Agriculture held a press conference at which he made it very clear and very definite that he is opposed to both these resolutions; and I wish to emphasize the word "both."

The Secretary of Agriculture also made it clear that he has no intention whatsoever, under any circumstances, of modifying or altering the cotton and dairy-product price supports. I mention those two things because the press had published indications that the Secretary of Agriculture might raise the supports a little.

I am sure the Senator from Louisiana knows that this morning the Secretary of Agriculture said that Senate Joint Resolution 162, which deals with all commodities, and Senate Joint Resolution 163 are considered by him to be worse than the farm bill passed by the Congress in 1956, and subsequently vetoed by the President.

I only add that all we are attempting to do today is hold the line on the very prices established under the Eisenhower-Benson farm program of 1957. Even as of today, all we are attempting to do is keep in effect the farm program the President asked the Congress to put on the statute books, as Congress did, after the President had vetoed the farm program the Congress had developed.

However, for some years our friends of the fourth estate and elsewhere have had trouble remembering that the farm program which Mr. Benson now so roundly condemns, is his own program—the one worked out by him, and sent to the Congress by the President, and the one which—following the President's veto of the original program developed by the Congress—the Congress adopted as a means of having some legislation in this field placed on the statute books.

Let me ask the chairman of the committee whether my statement is an accurate one.

Mr. ELLENDER. It is, and I thank the Senator from Minnesota for it. As a matter of fact, he has anticipated what I was planning to discuss, for I desire to make the very point he has made.

As a matter of fact, the present law will not be changed at all by this joint resolution; we shall simply be freezing the acreage allotments of last year at a level not less than that in effect last year, in the case of all the basic commodities. The support prices of all the basic commodities would also be frozen at a level not less than that in effect last year.

The PRESIDING OFFICER (Mr. MORRIS in the chair). The time the Senator from Louisiana has yielded to himself has again expired.



Mr. ELLENDER. Mr. President, I yield myself an additional 5 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for an additional 5 minutes.

Mr. ELLENDER. Mr. President, let me point out to my good friend, the Senator from Minnesota, that in the case of cotton, last year the support price for upland cotton was 28.8 cents a pound; but this year Mr. Benson fixed the support price at a little more than 30 cents a pound. Of course the cotton farmers will get the benefit of the increase, for the simple reason that the Secretary cannot fix the support price below what it was last year, but nothing prevents him from increasing it.

Mr. HUMPHREY. That is correct.

*Commodity Credit Corporation price support levels and prices for 1957 and 1958 crops*

Commodity	Unit	Required by S. J. Res. 162—1957 crops		Announced by Secretary—1958 crops	
		Support level	Support price	Support level	Support price
Basic commodities:					
Corn <sup>1</sup> -----	Bushel-----	77.0	\$1.40	(2)	(2)
Cotton, extra long staple-----	Pound-----	75.0	.5970	(2)	(2)
Cotton, upland-----	do-----	78.0	.2881	81	<sup>2</sup> \$0.3075
Peanuts-----	do-----	81.4	.1135	(2)	(2)
Rice, rough-----	Hundredweight-----	82.0	4.72	75	<sup>3</sup> 4.33
Wheat-----	Bushel-----	79.0	2.00	75	<sup>3</sup> 1.78
Mandatory nonbasic commodities:					
Honey-----	Pound-----	70.0	.097	70	.096
Dairy products:					
Manufacturing milk-----	Hundredweight-----	82.0	3.25	75	3.03
Butterfat-----	Pound-----	79.0	.586	75	.562
Tung nuts-----	Ton-----	65.0	52.13	(2)	(2)
Tung oil-----	Pound-----		.205	(2)	(2)
Mohair-----	do-----	87.0	.70	82	.70
Wool-----		101.0	.62	95	.62
Other nonbasic commodities:					
Barley-----	Bushel-----	70.0	.95	70	.93
Beans, dry edible-----	Hundredweight-----	68.0	6.31	68	6.18
Cottonseed-----	Ton-----	65.0	46.00	65	45.00
Flaxseed-----	Bushel-----	65.0	2.92	65	2.78
Gum naval stores-----	Barrel <sup>5</sup> -----	90.0	28.29	90	29.04
Oats-----	Bushel-----	70.0	.61	70	.61
Rye-----	do-----	70.0	1.18	70	1.10
Sorghums, grain-----	Hundredweight-----	70.0	1.86	70	1.83
Soybeans-----	Bushel-----	70.0	2.09	70	2.09

<sup>1</sup> Commercial support for corn produced in compliance with acreage allotments.

<sup>2</sup> Not announced.

<sup>3</sup> Minimum.

<sup>4</sup> Unprocessed basis.

<sup>5</sup> 435 pounds processed basis.

*Acreage required by S. J. Res. 162*

Wheat	55,000,000
Corn	37,288,889
Cotton (upland)	17,585,463
Cotton (extra long staple)	89,357
Peanuts	1,611,441
Rice	1,652,596

Mr. ELLENDER. Mr. President, if anything, the prices for 1958 have increased over those of 1957. From that standpoint, I do not see why Mr. Benson should object. But, Mr. President, as has been pointed out on many occasions, the allotted acreage of many farmers has been cut back to a point that it is uneconomical to farm many crops.

What the pending measure does is simply place a floor under 1958 acreage allotments. It provides that such allotments cannot be reduced below 1957 levels; however, they can be increased. This floor would remain in effect until Congress enacts a long-term farm program, and I might say that the Senate Agriculture Committee will begin that task within the very near future.

I wish to give assurance to the Senate, as chairman of the Committee on Agri-

Mr. ELLENDER. I repeat what I have previously stated, it is an attempt further to depress the farmer's income at a time when it is already at the lowest point in our history.

Mr. President, I ask unanimous consent to have printed in the RECORD a table which will show exactly the prices which were paid last year for various supported commodities, and the prices which, in many instances, have been fixed for 1958.

I also ask unanimous consent that a table showing the effect of their resolution on acreage be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Mr. COOPER. I think the Senator from Louisiana will agree with me that because there is a fixed support price on tobacco, which cannot be lowered by the Secretary of Agriculture, and an acreage allotment program voted by the farmers, the situation with regard to tobacco is good, and there is no occasion to include tobacco in the resolution. The fact that it is not included is evidence that the tobacco program is working well.

Mr. ELLENDER. As a matter of fact, the support price is fixed by law.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. STENNIS. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield to the Senator from Mississippi.

The PRESIDING OFFICER. How much time does the Senator yield himself?

Mr. ELLENDER. I yield 3 minutes to the Senator from Mississippi.

The PRESIDING OFFICER. The Senator from Mississippi is recognized for 3 minutes.

Mr. STENNIS. I thank the Senator from Louisiana for yielding to me, and I appreciate his understanding of the nationwide problem. I think he and his committee have done a splendid job in bringing before the Senate the joint resolution. It is timely and necessary.

I wish to invite attention to the portion of the joint resolution affecting a product with which I am familiar, in order to be sure I understand what is included with regard to that product. Will the Senator from Louisiana state whether I am correct in my understanding that the joint resolution now includes the provisions of the 1956 law, which were temporary, and freezes the cotton acreage for 1959, and years thereafter, at the 1957 level?

Mr. ELLENDER. The Senator is correct.

Mr. STENNIS. It is very necessary that such a provision become law during calendar year 1958. Otherwise, there would be severe, and even shocking, injury to many cotton producers, the people who live and toil on the land.

Mr. ELLENDER. I am in agreement with the statement of the Senator from Mississippi.

Mr. STENNIS. I appreciate what the Senator from Louisiana and other Senators have done.

There is also included in the joint resolution an additional provision providing that the very small producer shall not have his allotment reduced below 4 acres, or the highest planted acreage of 1 of the last 3 years. Is that correct?

Mr. ELLENDER. The Stennis amendment has been included in the joint resolution.

Mr. STENNIS. I am very glad the Senator had the amendment placed in the joint resolution. That provision will be made permanent legislation, will it?

Mr. ELLENDER. Yes, until Congress enacts other legislation.

Mr. STENNIS. Until it is changed by law, of course.

Mr. ELLENDER. That is correct.

culture and Forestry, that I shall do all in my power to report a bill from the committee as soon as possible.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield to the Senator from Kentucky.

Mr. COOPER. I should like to ask the Senator a question regarding tobacco. Tobacco is excluded from the joint resolution. Many tobacco growers in my State and other States may believe that because tobacco is excluded from the resolution the interests of tobacco growers have not been considered by the Committee on Agriculture. That is not the case.

Mr. ELLENDER. No, that is not the case.

Mr. COOPER. Differing from all other farm crops, tobacco has a support price of 90 percent of parity, fixed by law, and it cannot be lowered by the Secretary of Agriculture. Is that correct?

Mr. ELLENDER. The Senator is correct. Tobacco farmers have an allotted acreage program which they themselves have fixed.



Mr. STENNIS. I am also interested in another provision, which was a companion amendment to the two provisions I have mentioned. It has to do with the 1-percent clause, which is not so necessary now as it was, but which is taken care of in the joint resolution. Is that correct?

Mr. ELLENDER. The Senator is correct.

Mr. STENNIS. S. 267, which covered those three points, was before the committee. I introduced that bill in January 1957. I know the Senator from Louisiana gave special attention to its provisions, and I wish to thank him and the other members of the committee. The provisions relating to cotton acreage are an important part of the joint resolution.

Something is done about cotton acreage for 1958 although certainly that is not so important as the provisions in the joint resolution relating to 1959 and future years.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. STENNIS. I thank the Senator.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table explaining the 1958 benefits from the three acreage allotment amendments included in the 1956 Agricultural Adjustment Act.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

1958 benefits from 3 acreage-allotment amendments included in 1956 Agricultural Adjustment Act

State	Total 1958 allotment for cotton	Effect of Stennis amendments, acreage saved or gained			Number of farms affected by 3d amendment
		1st amendment <sup>1</sup>	2d amendment <sup>2</sup>	3d amendment <sup>3</sup>	
Alabama	1,035,463	164,741		13,146	44,159
Arizona	367,572	59,199		206	408
Arkansas	1,411,984	226,602		5,786	13,724
California	812,487	130,853		468	1,215
Florida	38,662	6,028		1,257	4,339
Georgia	905,387	144,303		9,904	25,851
Louisiana	609,922	97,542		4,619	14,597
Mississippi	1,660,110	265,437		12,914	41,200
Missouri	377,819	60,706		1,104	3,286
New Mexico	184,247	29,658		202	669
North Carolina	494,083	77,312		14,316	51,036
Oklahoma	827,162	128,706	23,300	5,162	
South Carolina	739,957	117,870		8,503	29,715
Tennessee	582,523	92,781		6,761	24,551
Texas	7,474,661	1,195,909	39,844	13,497	27,430
Virginia	18,161	2,802		777	4,991

<sup>1</sup> Holds 1958 allotment for United States same as 1956 national allotment.

<sup>2</sup> Provides for about 63,224 additional acres for 1958 to be distributed among the States to prevent losses resulting from shifts in history between States. In effect, this amendment prevents any State from losing more than 1 percent of its allotment from the previous year.

<sup>3</sup> Adds 100,000 acres to the national allotment to be used exclusively to give each cotton farm the smaller of 4 acres or the highest planted in the 3 previous years.

<sup>4</sup> 1957 estimate.

Mr. DIRKSEN. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time for it not be taken out of the time allotted to either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Alken	Flanders	Magnuson
Allott	Frear	Malone
Anderson	Fulbright	Mansfield
Barrett	Goldwater	Martin, Iowa
Beall	Gore	Martin, Pa.
Bible	Green	McClellan
Bricker	Hayden	McNamara
Bridges	Hennings	Monroney
Bush	Hickenlooper	Morse
Butler	Hill	Morton
Byrd	Hoblitzeil	Mundt
Capehart	Holland	Neuberger
Carlson	Hruska	O'Mahoney
Carroll	Humphrey	Pastore
Case, N. J.	Ives	Payne
Case, S. Dak.	Jackson	Potter
Chavez	Javits	Proxmire
Church	Jenner	Purtell
Clark	Johnson, Tex.	Revercomb
Cooper	Johnston, S. C.	Robertson
Cotton	Kefauver	Russell
Curtis	Kennedy	Saltonstall
Dirksen	Kerr	Schoeppel
Douglas	Knowland	Scott
Dworshak	Kuciel	Smathers
Eastland	Langer	Smith, Maine
Ellender	Lausche	Smith, N. J.
Ervin	Long	Sparkman

Stennis	Thye	Williams
Symington	Watkins	Yarborough
Talmadge	Wiley	Young
Thurmond		

The PRESIDING OFFICER (Mr. MORRISON in the chair). A quorum is present. The joint resolution is open to amendment.

Mr. DIRKSEN. Mr. President, I yield myself 15 minutes.

On January 16 of this year the President made certain recommendations to Congress in the field of agriculture. After surveying the whole situation, and deciding what he thought and finding what the Secretary of Agriculture thought was necessary in the interest of our farm economy, he made certain recommendations. They include a revision of acreage controls, a revision of the price-support formula, a freer decision on the part of farmers, an extension of markets through surplus disposal, an acceleration of research for the purpose of finding new uses for farm products, and an extension of the so-called rural development program.

With respect to a part of the President's recommendations, relating particularly to those items which are set forth in the law, a bill was introduced by the Senator from Iowa [Mr. HICKENLOOPER], cosponsored by other Members of the

Senate, which is designed in part to carry out the recommendations of the President and the Secretary of Agriculture. The bill, S. 3049, is presently pending in the Committee on Agriculture.

Among other things, the bill provides for an increase in national marketing quotas and acreage allotments, the discontinuance of acreage allotments on corn, the level of price support for basic agricultural commodities, the level of price support for dairy products, the establishment of a Commodity Credit Corporation Advisory Board, and the extension of the Agricultural Trade Development and Assistance Act. That bill in large part embodies the recommendations of the Secretary of Agriculture and the President of the United States.

We are now confronted with Senate Joint Resolution 162, which proposes a support freeze at the 1957 level, measured in dollars-and-cents terms. It also provides for a freeze of acreage, with the exception of tobacco.

I wish to examine the specific effect of the joint resolution. There are 12 or 15 reasons why it should be defeated.

In the first place, it is an indefinite freeze. One need only to look at the language of the joint resolution to show that that is so. It provides:

In order to prevent reductions in support prices or acreage allotments prior to consideration by Congress of such changes in the price support and acreage allotment laws as may be necessary at this time.

When will Congress consider changes in price supports and acreage allotments? I do not know. The distinguished chairman of the Committee on Agriculture and Forestry may say the committee will consider it next week. That does not mean that the Senate will consider it. It does not mean that the Senate will act on it. It does not mean that the House Committee on Agriculture and Forestry will act on it. It does not mean that the House of Representatives will act on it. This is an indefinite contingent. Until that question is resolved, the joint resolution provides an indefinite and permanent price freeze. If the Committee on Agriculture and Forestry and if the Senate and the House do not act on the bill, to which I have referred and obtained the signature of the President of the United States to it, the freeze will continue. If I am wrong in my interpretation of the language, then I should like to have someone correct me.

When we speak about an indefinite freeze based upon an amorphous contingency, we are speaking about changing the basic agricultural policy of the Nation. That is the first reason why I am opposed to the resolution.

Second, it proposes a major policy change. The law is quite clear with respect to the purpose of price supports, the criteria therefor, and where they shall be established within a given bracket. The ultimate objective is to provide an adequate supply of a commodity.

The Secretary of Agriculture consults his advisory boards, his statisticians, his economists, his stabilization experts, and



his marketing advisers, and then determines where the level should be set for the purpose of producing an adequate supply. If we freeze the level, if we take away the administrative authority, we have made a basic change in agricultural policy.

When the Senate had under discussion the other day, on a motion to suspend the rule, the proposal offered by the distinguished Senator from Minnesota [Mr. THYE], the distinguished Senator from Vermont [Mr. AIKEN] stood in his place and asked, "Why, under given conditions, did not the Secretary of Agriculture modify price supports a year ago? Why did he not cut them then?"

There was a perfectly logical reason why, but in the welter of debate late in the day there was no time to offer a rebuttal. I will state why the Secretary did not reduce price supports then. There were 600 counties which were designated for drought relief. Emergency feed was made available to stockmen. There were 700 other counties where grazing land was to be placed in the Soil Bank. The conditions were so entirely different that when the Secretary and his staff evaluated the whole situation, there was great warrant for the action he took then in not lowering the price supports. What is now proposed, however, is a basic change in policy.

The third reason I assign in opposition to the joint resolution is that it will simply defer a long fervent hope which we had entertained that perhaps the supply and the demand could be brought into better balance. I am still devoted to the old, classic idea that when there is a balance between supply and demand, or approximately so, in a free-enterprise system, then the price mechanism begins to work. But obviously it cannot work if legal rigidities are imposed by legislative fiat to tie the hands of the very person who, under the law, is mandated to administer the law.

How long and how fervently have we hoped that at long last, instead of having the farmers produce for warehouse account, they would be producing for the market, for the consumer, for export, and for whatever carryover was needed.

Now it is proposed to go back to the price support level, in dollars and cents terms, to do what obtained last year; and it will be insurance that, once more, the hope which we so long nourished will go aglimmering. The result will be that the farmers will be producing once more for storage account, with all the administrative costs and storage costs that go with it.

It seems to me that if the Senate will simply contemplate the frightening figure of \$1 million a day for the storage of commodities which will have to be taken over, that in itself ought to be rather persuasive.

So what I see in the freeze is an assurance that we will be going back to the old surplus diet.

The fourth reason why I am opposed to the resolution is that it will tie the Secretary's hands. For practical purposes, we shall be reverting to the old, manda-

tory philosophy. What a tragedy that will be. We have seen what happened in the 8-year period when prices were supported under mandatory, high, rigid levels. That was when the mischief and the deviltry were done. That was when the real accumulations began. Now we shall have it all over again, because the resolution imposes mandatory supports, at 1957 levels, on 9 commodities.

Let us make no mistake about it. By this interesting joint resolution, we shall be reviving the very thing we had consigned, I hoped, to oblivion, when we finally got away from the mandatory level.

Now it is proposed to tie the Secretary's hands. In the basic law we say to him, "Within a given bracket, you fix the price support level where you and your experts believe that enough will be produced for domestic consumption, for carryover, for the export trade, and for whatever else may be needed."

In accordance with the export background, a level was fixed by the Secretary of Agriculture. But now it is proposed to go back and, by a change of policy, tie Mr. Benson's hands.

I know that many Senators do not like him. I have heard all the imprecations which have been hurled against him. But I am always delighted to think of him as one of the most reputable characters who has ever come to the Nation's Capital. If he were a weak and vacillating person; if he did not have an intense conviction, which is as well anchored as the Rock of Gibraltar; he would have faltered under attack long ago. He has a conviction; and I am delighted that the President shares the conviction with him. I am even more delighted that at the press conference last week, when a House delegation was seeking to pressure the resignation of Mr. Benson, the President said that whom he had in the Cabinet was not the business of Congress, and that he did not expect or intend to call for Mr. Benson's resignation.

The Nation will never get a more courageous man; and now that we have him, it is proposed that we tie his hands. We are asked to say, "In the law, we directed you what to do. In the law we gave you authority, according to your own lights, to do your best in the interest of American agriculture. But now, Mr. Secretary, we are not going to let you have the flexibility allowed by the law. We propose to tie your hands and to freeze the price support level." That is another reason why I am against the resolution.

The fifth reason is that the resolution will assure the creation of more surpluses. It cannot be otherwise. We cannot consider the productivity of the American farm plant without recognizing that in every field, whether it be dairy products or others, there will be more and more surpluses.

At this point I shall comment on the statements which have been made in the Senate from time to time about the exodus from the farms. Yes; there has been an exodus from the farms, and there is, I think, a very good reason for it. In 1820, which was 138 years ago, a

farmer in the United States produced enough to meet the subsistence needs of a little more than 4 persons. But in 1956, a single farmer produced enough to meet the subsistence needs, not of 4 persons, but of 21 persons. If anyone wants to know why people leave the farms, let him look at the productivity figure. Then to that must be added the cost of machinery, and other factors. From those figures we get the answer.

Actually the exodus from the farms began in almost every State of the Union in 1935. I have here a table which shows the curves. They go down, almost without any modification, starting in 1935. That was the year when the curve of farm population started downward, and it has been going down ever since.

I suppose that in 1910 the farm population was about 35 percent of the total population. Thirty years ago it was probably 25 percent of the total. The percentage continued at that level until 1935, when it began to slide down.

There are many reasons for the change. There is the lure of jobs in the cities by means of the fine highways which we build. A person now has the means to commute between where he lives, if he lives on 5 or 10 acres, and a job which is 60 or 70 miles away. He can get to his work and back quickly.

So when we consider all the factors, we learn why there has been such a great exodus from the farms. But when we consider the productivity figures, and realize what a single farmer can produce today, we find that there is a very considerable difference between the productivity in the days of the horse-drawn plow and the slow-moving animals as compared with productivity of the mechanized farms of the modern day.

Mr. WATKINS. Mr. President, will the Senator from Illinois yield to me?

The PRESIDING OFFICER (Mr. HOLTZELL in the chair). Does the Senator from Illinois yield to the Senator from Utah?

Mr. DIRKSEN. I yield briefly.

Mr. WATKINS. It is true, is it not, that the rigid price-support program was in effect at the time when a part of the transition from the farms to the cities was taking place?

Mr. DIRKSEN. Yes.

Mr. WATKINS. Is it not also true that during the early years of Secretary Benson's term of office, he was operating under programs which had been established by prior Congresses, and his own program was not then in effect at all?

Mr. DIRKSEN. That is correct.

Mr. President, if the joint resolution will aggravate the surplus problem, some agricultural commodities will be priced entirely out of the market, all over again.

The PRESIDING OFFICER. The 15 minutes the Senator from Illinois has yielded to himself have expired.

Mr. DIRKSEN. Mr. President, I yield myself an additional 10 minutes.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 10 additional minutes.

Mr. DIRKSEN. Mr. President, what is the trouble with butter? It has been



priced out of the market. Half the butter market has been lost. Until the price of butter becomes such that butter is competitive with other products, a durable answer to that phase of the farm problem will not be found.

The pending joint resolution will only aggravate the problem; it can do nothing else. Call it a stopgap measure or an emergency measure if you will, Mr. President; but it is still a measure based on a contingency. But if the joint resolution is passed by both Houses and is signed by the President, it will be in effect until it is repealed by a subsequent act of Congress or until the Congress enacts legislation which will take its place.

Let us not forget, however, that action by two congressional committees and both branches of Congress and signature by the President would be required in order to place a new law on the statute books.

In 1934, when the Reciprocal Trade Agreements Act first went on the statute books, I was a Member of the House of Representatives. I voted against that measure. I remember that at that time we were told, "This is only for 3 years." Later, we were told, "At this time it will be for only 2 years." Later, we were told, "At this time it will be for only 1 year." But, Mr. President, I have been voting on the reciprocal trade bill or on extensions of that bill for the past 24 years—all on the basis of "only for 1 year" or "only for 2 years" or "only for 3 years more." In every case, the proponents advanced the argument that the extension would be for only a limited period of time.

Mr. President, let us not be fooled. If this joint resolution is enacted into law, it will not be changed until another law repeals it. This joint resolution, if enacted, will continue to be on the statute books until and unless a new policy is established.

But what assurance have we that either this year or the next year or the following year there will be established a different policy which will cause the acreage freeze or support freeze provided by the pending measure to be removed from the statute books?

Mr. LAUSCHE. Mr. President, will the Senator from Illinois yield to me?

Mr. DIRKSEN. I yield briefly.

Mr. LAUSCHE. Let me refer to the joint resolution:

That in order to prevent reductions in support prices or acreage allotments prior to consideration by Congress of such changes in the price support and acreage allotment laws as may be necessary at this time—

And so forth.

On what bill is the Committee on Agriculture and Forestry working at this time? Is it working on a bill which is supposed to provide for an evolution of the program which ultimately will solve this problem, with which Congress has been endeavoring to cope—although thus far the efforts of Congress have been unsuccessful—by legislative enactment for the last 25 years?

Mr. DIRKSEN. I cannot tell. All I can say is that the President and the Secretary of Agriculture have requested

greater flexibility and a lowering of the support levels.

I believe one can reasonably infer, from the discussion which have occurred on the floor of the Senate, that there is hostility toward such a solution as is proposed. So where is there any assurance that at an early date a modification will be made of the policy proposed by the pending joint resolution?

By the pending measure, it is proposed that acreage allotments be increased and price-support levels be increased. However, the joint resolution would not amend any existing law, because it provides, in part:

That in order to prevent reductions in support prices or acreage allotments—

Those two.

The joint resolution, if enacted into law, would not modify the 1934 act or the 1949 act. Nevertheless, by means of the enactment of the pending measure, the criteria and the standards would go out the window. That is why it may truly be stated that the pending measure would make a basic change in policy.

The Congress has already established criteria to be used by the Secretary of Agriculture. By that means he has been told how to go about the business of setting, for any particular commodity, a price support which will provide an adequate supply of the commodity.

But no criterion would be established by means of the pending joint resolution. Instead, the existing criteria would be scrapped by this means, and an entirely different set of instructions would be given to the Secretary of Agriculture.

Mr. President, the language of the joint resolution speaks for itself; it does not require any argument by me.

By means of the joint resolution, Congress would worsen an agricultural situation which already is bad. I so contend, and the Secretary of Agriculture admits it. For 35 years we have been trying to find a solution, but we have not found one yet.

Today the Senate is confronted with a joint resolution which is referred to as an emergency measure or stopgap measure or a crisis measure. However, when we read very carefully the language of the joint resolution, we find that, once enacted, it would remain in effect indefinitely, until the taking of different action by a committee of the House of Representatives, a committee of the Senate, the House of Representatives itself, the Senate itself, and then signature by the President of the United States. In short, the pending measure would, if enacted, remain in effect until repealed by means of a separate measure.

Mr. President, I have pointed out that the joint resolution would be mandatory in the case of nine agricultural commodities. I shudder at the very thought of having the Congress return to that mischief. How long it took the Congress to get rid of the mandatory supports. But the pending joint resolution would provide mandatory supports for quite a number of agricultural commodities; and if the joint resolution were enacted into law, who knows but that the doctrine of mandatory supports might be instituted

all over again? How bad it proved to be, Mr. President.

Another reason why I am opposed to the joint resolution is that it would aggravate the problem in the case of the basic commodities. Under this proposal, the price support for wheat would, according to the figures which have been presented, rise from 75 percent to 84 percent, even though in the Government stocks there is a whole year's supply of wheat.

Mr. President, some Members of the Congress may believe it would be proper for Congress to proceed to say to the wheat farmers, "We will raise the supports on wheat, even though the Government has an entire year's supply on hand and will continue to pay the storage charges on that wheat."

Mr. President, to raise the supports on wheat would simply aggravate the problem. Then what would happen? O what a headache would come the next year and the year after that.

Mr. President, I would prefer to deal with the problem now, rather than suffer such an aggravated headache at a later date.

A further reason why the joint resolution should not be passed is that it would be discriminatory. Let us consider the wheat farmers who have signed up under the Soil Bank. The price support was announced as being \$1.78. Under the Soil Bank I suppose the farmers would receive the equivalent of \$1.20. But under the pending proposal, the Government would say to the farmers who previously signed up under the Soil Bank, "We are going to freeze the support at the 1957 levels, and it will be just too bad for you poor devils who signed up before now with the Secretary of Agriculture, because by means of this joint resolution the support will be pegged at \$2 a bushel."

Mr. President, would that be fair?

Mr. President, even though Illinois is not essentially a wheat-producing State, I will not agree to attempt to make my peace with the farmers at home by saying to one of them, "Bill, I am sorry; but you signed up for the Soil Bank before we got this joint resolution on the statute books. So you are in one category," and then by saying to another, "But, John, you are in another category." I will not do that, Mr. President. I shall do my utmost to have fair treatment accorded to all of them, right down the line.

O, Mr. President, what a disservice the Congress would render to agriculture in the United States if this joint resolution were ever passed by the House of Representatives and the Senate and were to be signed by the President.

Mr. President, I am reminded of another reason why I am opposed to the joint resolution. I do not speak for the President of the United States; I would be the last person under God's canopy ever to attempt to arrogate to myself any knowledge of what the President would do. But if the pending joint resolution were passed by both Houses of Congress and were signed by the President, and thus were enacted into law, the Secretary of Agriculture would have to go to the White House—he would simply have



to do so, if he were to maintain his self-respect—and would have to say to the President, "I ask you to veto this joint resolution." The Secretary of Agriculture could not do otherwise. If I were the Secretary of Agriculture, and if I were confronted with a measure of this sort, I would simply have to say to the President, "Mr. President, this joint resolution would provide a basic change in policy, and it would tie my hands, and it would frustrate the very recommendations which you, yourself, sent to the Congress in January. So I respectfully ask you not to sign this measure."

Mr. President, in my judgment, the Secretary of Agriculture would have to do that, in view of the existing facts.

That is another reason why I do not want to go through any empty gestures by passing a measure which, if it became law, would result in a disservice to agriculture, but which, probably, would be vetoed.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. DIRKSEN. Yes.

Mr. YOUNG. The President, himself, when he vetoed the farm bill, raised price supports for wheat from 76 percent of parity to about 83 percent of parity, the equivalent of \$2 a bushel. At that time we had more of a surplus of wheat than we have now. How can the Senator justify lower prices when farm operating costs are up and surpluses are down?

Mr. DIRKSEN. What were the conditions then existing? The other evening, the Senator from Vermont [Mr. AIKEN] said price supports could have been raised a year ago. I did not have time to answer then, but I answer now—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. I yield myself 3 additional minutes.

The PRESIDING OFFICER. The Senator may proceed for 3 additional minutes.

Mr. AIKEN. Mr. President, I think the Senator misquoted me slightly. I said the other night the Senator from Illinois has stated that under the law the Secretary had to reduce support prices on dairy products. I pointed out to him that, if he had to do it this year, he was operating under exactly the same law which was in effect when he raised dairy price supports 2 years ago, when there was in the hands of the Department of Agriculture 6 times the amount of dairy products there is this year. Somebody should have gone to jail 2 years ago, if the law required him to reduce supports for dairy products then.

Mr. DIRKSEN. The answer to the question is, What were the conditions? As I recall, the Senator said if the Secretary of Agriculture could do it now, why could he not have done it a year ago?

Mr. AIKEN. Will the Senator let me answer his question?

Mr. DIRKSEN. Yes.

Mr. AIKEN. At that time the Commodity Credit Corporation owned dairy products which were the equivalent of 10,500,000,000 pounds of milk. This year the Commodity Credit Corporation owns the equivalent of 1,750,000,000 pounds of

milk. In other words, this year there is 85 percent less in surpluses in the hands of the Commodity Credit Corporation than 2 years ago.

Mr. DIRKSEN. That is not the whole story.

Mr. AIKEN. That is a pretty good story.

Mr. DIRKSEN. It is only a part of the story.

Mr. AIKEN. I shall be glad to complete the story.

Mr. DIRKSEN. Let me answer the Senator.

Mr. AIKEN. I did not ask any questions.

Mr. DIRKSEN. What was the cost of feed then? How many counties were being given drought relief? How many counties put grazing acres into the Soil Bank?

Mr. AIKEN. The cost of feed then was approximately the same as the cost of feed is today.

Mr. DIRKSEN. I get an entirely different answer from the Department.

Mr. AIKEN. I am speaking of my region.

Mr. DIRKSEN. I was taking a national average figure. One must consider disaster and drought relief counties putting grazing acres into the Soil Bank, cost of feed, and many other factors. The Department looked at the whole picture and said, "Let it stand." In February it declared the support levels. If the experts in the Department of Agriculture do not know what the score is going to be in the months ahead, I, frankly, give up. I make so bold as to say I do not believe there is a Member of the Senate of the United States who has sufficient basic knowledge to pass on the question, because it is a matter which has to be rationalized by getting all the facts from all over the country.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. DIRKSEN. I yield myself 3 additional minutes.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 3 additional minutes.

Mr. THYE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. THYE. Is the Senator aware of the fact that the dairy cow population has decreased by 266,000 in 2 years? Increased production cannot be obtained unless the number of cows is increased.

Mr. DIRKSEN. What is the increase in production per animal on the basis of balanced and scientific feeding?

Mr. THYE. Increased production can be accomplished by year-by-year breeding, but animal production is not improved except by breeding. If there is a certain population today, the potential milk production is just so much. A little more milk can be squeezed out of the present number of cows by an excessive amount of feeding. That is what has been done, because the price of milk is only 54 percent of parity.

Mr. DIRKSEN. All I know is that from 1902 to 1957 the increase in dairy products was nearly 10 billion pounds. That is a figure from the Department.

The Senator will have to speak for himself.

I point out, as another reason for rejecting the joint resolution, that its enactment would amount to a contradiction. The Department this morning announced that a little more than 12 million acres should go into the Soil Bank in order to cut production, reduce supplies, and stabilize prices. To say that the Senate notwithstanding that, will by its own fiat freeze acreage, does not make sense. If it makes sense then I give up.

I shall make one other point, and then I shall have taken too much time. I suggest that John Q. Taxpayer has an interest in this question, too. Senators should not forget it. When one looks at the 1959 budget, he will see what I mean.

Let me mention some figures. Our losses in fiscal 1956, in dealing with surpluses, were \$1,900 million. In fiscal 1957 they amounted to three and a quarter billion dollars. When too much is produced, we have to get rid of our surpluses.

The 1959 estimate for foreign famine relief is \$106 million in donations.

Donations for needy persons will amount to \$429 million.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. DIRKSEN. I yield myself 3 additional minutes.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 3 additional minutes.

Mr. DIRKSEN. If we have money in our pockets, we are in a much better position to bargain with persons who have basic commodity surpluses than if we have surpluses ourselves, but it is estimated \$70 million will be used for bartering in acquiring materials transferred to the supplemental stockpile.

Nine hundred and seventy-five million dollars will be used for disposing of foreign currencies. Senators should see the foreign currencies presently in the Treasury. Under the International Trade Agreement, of which we are members, \$113 million worth will be used. Other losses amount to \$864 million.

If enactment of the joint resolution will assure more surpluses, as I think it will, I do not see how we can escape the problem. We shall only save up a headache and continue the business of putting losses on the Federal Treasury.

In the case of cotton, I point out that in 3 years we took a loss of \$742 million.

Is there any end to it? Are we going to stand up to the challenge and say, "This is not the way?" Let us work with the problem, let us fight with it, until we find a durable solution. An indefinite freeze is proposed. If the Senate approves it, I believe it will render a disservice to agriculture, a greater disservice, I believe, than by any single measure which has come to my attention in a long time.

So I utter the hope and prayer that the joint resolution will be rejected when it comes to a final vote.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.



Mr. ELLENDER. The Senator stated that the losses on cotton amounted to \$700 million.

Mr. DIRKSEN. Seven hundred and forty-two million dollars.

Mr. ELLENDER. I have figures from the Department of Agriculture showing that the loss was only \$453 million. The Senator has forgotten to deduct the profits made on cotton up to June 1957, of \$273 million.

Mr. DIRKSEN. I received the figures on my own request. I do not believe there are later figures.

Mr. ELLENDER. The Senator received inflated figures. Those are the figures which the Secretary of Agriculture used before our committee, and they caused a ruckus in the committee, because we showed the Secretary the losses were under \$1 billion, when he said they were \$3¼ billion.

Mr. DIRKSEN. Mr. President, I was serving in Congress when the CCC Act was written. I know we capitalized the program for \$100 million. We mandated it, so that at the end of a year's operations it was necessary for those in charge of the program to go to the Treasury Department and say, "We lost so much. To repair our capital structure, we need this appropriation."

That was in hard dollars. Whether the dollars were inflated or not, we paid the bill. I can read a budget. I know what is in the budget so far as losses are concerned. We can call the money any kind of dollars we please, but the taxpayer has to pay. That is why I say the taxpayer has an abiding interest in what will happen in the Senate Chamber this afternoon.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. DIRKSEN. Mr. President, I yield the floor.

Mr. ELLENDER. Mr. President, I yield 10 minutes to the distinguished Senator from Wisconsin [Mr. PROXMIRE].

Mr. PROXMIRE. Mr. President, first I should like to say that I am very proud and honored to have an opportunity to support the joint resolution which has been presented by the distinguished Senator from Louisiana. I think the Senator made a magnificent statement in support of the joint resolution.

I should like to point out that the joint resolution under consideration is a bipartisan committee resolution. An overwhelming majority of the members of both political parties on the Committee on Agriculture and Forestry supported the joint resolution and voted in favor of it in the committee. I believe that is an important point, because the Committee on Agriculture and Forestry is the principal agency of this body for determining what kind of a long-term farm program we are to have. The committee, which reported the joint resolution, has told us that it is the committee's intent to present a long-term farm bill, and to present it soon. I think that is the clear implication of the action.

I have faith in the committee. I am sure the committee will report a long-term agricultural bill, because I believe every Member of this body agrees that

the farmers of the Nation do not want to be put on a permanent subsidy. The farmers want a farm program which will work. They want a balanced farm program, one which will obviate the necessity of subsidies.

My experience in Wisconsin teaches me that farmers are conservative. Farmers do not like big government. Farmers do not like to have the Government dictate decisions. The farmers of Wisconsin overwhelmingly want a self-help program; but they need time to work out their problem. They have confidence that if they are given a little more time, and if the ridiculousness of the farm situation as it is at present is recognized by Senators and Representatives, generally, as well as by the country at large, there can be adopted a program which will work.

I should like to make several points as quickly as possible.

No. 1, we have under consideration a conservative joint resolution, because it will simply conserve the income farmers now have. It will prevent farmers' incomes from being reduced. As a result, it will protect this very important segment of our economy at a time when our country is in a serious economic slump, and when we are suffering from a recession.

I point out that farmers are among the leading purchasers of steel. Farmers, of course, must have some kind of transportation, either automobiles or trucks, in order to operate their farms. Therefore, farmers are important purchasers of automobiles, trucks, and tractors. This is an extremely important item with regard to the whole economy—not simply to farmers alone, but to the whole economy.

I should like to point out that if Secretary of Agriculture Benson's order becomes effective, which, of course, approval of the joint resolution under consideration would prevent, the effect of the order on the dairy farmers and on the farmers generally will be that the farmers will not only suffer immediately, but they will have no long-term solution of their problems.

Since 1952 Secretary of Agriculture Benson has been in control of our farm policy. Since 1952 prices for milk have dropped from \$4.20 per hundredweight, for manufacturing milk, to about \$3.25. If the Secretary of Agriculture was correct in his belief that the way to solve the problem was to reduce price supports and reduce farm prices, then we should have had some kind of solution before now.

What has happened as prices have been cut? What should have happened, of course, according to the old economic theory, was that supply should have dropped and demand should have increased, and the problem would have solved itself. I submit that because of the nature of farm economics, exactly the opposite situation has prevailed. As prices have gone down production has risen, indeed, production has gone up steadily and relentlessly about 2 percent a year, until at present production is approximately 10 percent above what it was in 1952. Demand has not gone up,

as it should have, with prices going down. The per capita retail sales, which represent the best reflection, in fact the only true reflection of demand, have actually dropped. Such sales have actually declined.

Mr. President, that is why I say the present program is not the proper way, on a long-term basis, to solve the problem of the farmer. We must provide the kind of program envisaged by bills which are before the Senate Committee on Agriculture and Forestry, which bills I am sure will be given fair consideration. Those bills, if enacted into law, will provide a long-term farm program which will work.

Very quickly I should like to point out the injustice which a cut in dairy price supports will bring to farmers. It was stated in the Senate Chamber yesterday that since 1952 annual interest income has increased more than 58 percent, to \$19 billion. It was further stated that annual dividend income has increased 35 percent, to \$12.3 billion. The return on capital, therefore, is something over \$31 billion this year, while the return to farmers has dropped all the way down to \$11.5 billion.

Mr. President, we now face a situation in which people with capital are receiving nearly three times as much as the farmers are receiving. I say that is wrong; it is unfair, it is unjust. It is particularly wrong when we recognize that the farmers work such long hours, and work very hard, and that they have increased their efficiency and productivity far more than any other group in the economy. The reward for the farmer has been a sharp reduction in his income.

I should like to reinforce a point which was brilliantly made by the distinguished Senator from Vermont [Mr. AIKEN], when he said that we live in a society of subsidies and supports.

Unfortunately we do. We have had discussions in the Senate Chamber in the last 10 days as to postal subsidies. Some of us tried to limit the subsidy paid to any publication to \$1.8 million, but we were defeated. It was the decision of the Senate as a whole that the publications should receive subsidies, including subsidies to single publications exceeding \$5 million each.

We have passed legislation to increase the airline subsidy. We have provided a minimum wage to protect labor. There is a movement with widespread backing to increase the minimum wage support for labor. We have given support by tariffs to manufacturers. There is much talk of, and a great deal of support for increasing tariffs and protecting industry through tariffs.

Most important of all, we have an administered price system in large areas of our economy. This is price fixing, price support by private agreement. Steel prices have not gone down in 25 years. There are other segments of the economy in which 1, 2, or 3 manufacturing units or corporations control a very large part of the output. Those units or corporations can fix prices, and move prices up or down.

This is the kind of economy the farmer finds himself in, when he alone—and



he is virtually alone—operates in a competitive price economy. It simply does not make sense. It is unfair and unjust to the farmer. I believe it is only fair that we should give the farmer a chance and a little more time to work out his problem.

I should like to stress a statement made very well this morning by the distinguished Senator from Louisiana [Mr. ELLENDER] when he pointed out what has happened to parity. If Senators, both Republican and Democratic, will recognize what Secretary Benson has done to parity, they will vote overwhelmingly in favor of the joint resolution under consideration.

Let me tell the Senate what has happened. When Secretary of Agriculture Benson took office, 75 percent of parity for dairy products amounted to \$3.31 per hundredweight. Today, 75 percent of parity amounts to only \$3.03 per hundredweight.

What has happened is that parity has dropped. At the same time, costs have increased. Parity is 10 percent lower, although the farmer must pay much higher prices. I submit that this is about as unfair, improper, unjust, and unethical as it could possibly be. If we are to have a parity system which means anything, it should mean that the farmer should be in such a position that as his costs increase, his income increases.

The PRESIDING OFFICER. The time of the Senator from Wisconsin has expired.

Mr. PROXMIRE. In conclusion, I say that what is at issue is the survival of the family farm.

Mr. KNOWLAND. Mr. President, I yield 2 minutes to the Senator from Maryland [Mr. BEALL].

Mr. BEALL. Mr. President, the great needs of our agriculture today are bigger markets for the abundance our farms produce—more freedom for farm people to plant, to sell, and to make their own management decisions—help for the families living on inadequate farms and in underdeveloped rural areas.

The legislative changes proposed by the administration will serve all of these basic needs.

In spite of the cost-price squeeze, the ineffective price supports and unworkable acreage controls, the farm level of living is higher than ever before. Farm assets are at a peak and productivity per man-hour is rising year by year. What we need to do now is to free our farmers as rapidly as is feasible from the shackles of controls which have cramped their operations for many years.

Our farm people want to be more free to plant, more free to market, more free to meet their competition, more free from Government interference.

This program will permit more freedom for farmers. It will give farmers more freedom to plant by increasing acreage allotments. Some of these allotments have become so small as to cripple efficiency. I am told that 7 out of 9 cotton allotments are less than 15 acres—and I know that tobacco allotments are far too small.

This program will make price supports more realistic. The range of 75 to 90 percent of parity on the basic crops and

dairy products does not allow for sufficient market growth. We are pricing these commodities out of potential markets. Increased allotments and a wider range of price support logically go together.

The program will eliminate the escalator clauses, those formulas which provide that the level of price support goes up as the surpluses go down. Farm people do not want to live continually under the shadow of surpluses.

Nor do other taxpayers want it because taxpayers, including farmers, get the bill for storage and losses.

Our surplus disposal efforts have been meeting with increasing success. They must be continued until the surpluses are reduced to reasonable proportions. In this connection, I support the extension of the special school-milk program. Milk is the most valuable crop Maryland farmers produce. Last school year more than 900 Maryland schools took part in this special milk program and the children of my State consumed more than 30 million half-pints of milk under this program. This is a wise use of our abundance. It serves farm and city people alike.

I endorse the provisions on extension and expansion of Public Law 480, increased emphasis on utilization research.

We are on the right road in agricultural policy. Progress is being made. Sound programs will result in a sound agriculture.

Mr. ELLENDER. Mr. President, I yield 10 minutes to the distinguished Senator from North Dakota [Mr. YOUNG].

Mr. YOUNG. Mr. President, the resolution we are considering today does not seek to increase price-support levels or cash prices on farm commodities. It would only freeze price supports at last year's level. It would prevent the drop in price supports Secretary of Agriculture Benson has already scheduled for the 1958 crop.

Even the level of support last year—1957—is not high enough to lift the prices of many farm commodities up to a level necessary to maintain some semblance of equality of income as between farmers and other segments of our economy.

For example, Secretary Benson lowered price supports for wheat from \$2 to \$1.78 a bushel or from 82½ percent to 75 percent of parity. Dairy price supports are scheduled to be dropped on April 1 from approximately 83 percent to 75 percent of parity.

The pending joint resolution would restore these price supports to the present level or the one President Eisenhower himself established 2 years ago when he vetoed the major farm bill which would have set price supports for these commodities at 90 percent of parity.

The effect on feed grains would be as follows: The price of barley would be increased from 93 cents to 95 cents per bushel; grain sorghums would be increased from \$1.83 per hundredweight to \$1.86 per hundredweight—that is, over the prices of last year; rye would be increased from \$1.10 per bushel to \$1.18 per bushel; flaxseed would be increased from \$2.78 per bushel to \$2.92 per bushel—again, only a very few cents.

Farm net income has been decreasing year after year since the Korean war. These figures are as follows:

1953	\$13,880,000,000
1954	12,190,000,000
1955	11,581,000,000
1956	12,070,000,000
1957	11,532,000,000

Our Nation's economy is in trouble. The number of unemployed is the highest in 16 years. Our national economic situation could become far more serious than it is now—that is, if we do not correct the basic reasons for its cause.

Every depression in the past has started with depressed farm prices. It does not make sense for this administration purposely to plan lower farm prices—and that is exactly what it is doing.

Secretary Benson, in his last appearance before the Senate Agriculture Committee, stated that lower price supports would mean lower cash prices, at least for some time in the future.

These planned lower prices for farm commodities will only serve to deepen the depression. What we need is increased farm purchasing power—not less.

In the so-called agriculture States, 70 percent of the per capita income is spent for industrial goods as compared to 50 percent in the nonagricultural States. This gives some indication of how the entire economy is adversely affected when the purchasing power of the farmers is destroyed.

Mr. President, little, if any, of this drop in farm prices will be reflected in lower prices to the consumers.

Surely, there is abundant evidence to prove that the lowering of price supports in the past by Secretary of Agriculture Benson or any other Secretary has not resulted in lower prices to the consumers.

Let us take wheat for example. The price support for wheat last year was \$2 a bushel. The average cost of a 1-pound loaf of bread was 18.8 cents. The farm value of the wheat in this loaf of bread was only 2.6 cents.

Lowering price supports for wheat by 22 cents a bushel, as has been scheduled by Secretary Benson, would mean a drop of approximately 11 percent in the farm value of the wheat going into a loaf of bread, or less than three-tenths of a cent per loaf.

Is any Senator naive enough to believe that this three-tenths-of-a-cent decrease in the cost of a loaf of bread will be passed on to the consumers? The 11 percent drop in income will be serious to farmers, however. It will break many small- and average-sized farmers. During the last 5 years 6,672,000 people left the farms to seek employment in the cities. There will be many more farmers seeking employment in the cities if we permit farm prices to drop further.

Mr. HUMPHREY. Mr. President, will the Senator yield at that point?

Mr. YOUNG. I am happy to yield.

Mr. HUMPHREY. I hope the Senator will forgive me, but I hold in my hand a clipping from the Minneapolis Morning Tribune of March 10. It is a feature article by Mr. Charles Bailey, who is a member of the press corps, and who covers the activities of the Congress of the



United States for the Cowles Publications. I shall quote from a portion of the clipping which refers to a speech made by a Member of the House, in which he noted the cost to taxpayers of such programs as price support for wheat, and then said, "In addition, it may cost him about \$20 a year more for the high price of bread."

Another Member of Congress had this to say:

Because the high support program has kept the price of bread high, also, you—as an average consumer of bread—paid \$20,000 more than your bread would have cost you otherwise.

He refers to 1957.

Then the writer of the article goes on to point out what the figures really represent, as the Senator from North Dakota has pointed out. All I say is that we are constantly the victims of open distortion of fact. It is true that if the price of wheat went up 50 cents a bushel, it would not raise the price of a loaf of bread by as much as three-fourths of a cent.

Mr. YOUNG. I thank the Senator from Minnesota. It is amazing that people should throw out figures such as that. If the wheat producers gave away their wheat, and did not charge anything for it, the people of America would not have the price of a loaf of bread affected by more than 2.6 cents.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. MANSFIELD. I am interested in what the Senator from Minnesota and the Senator from North Dakota have said, especially the remarks of the Senator from North Dakota, who is one of the most distinguished agricultural experts in the Senate.

Mr. YOUNG. I thank the Senator.

Mr. MANSFIELD. He has mentioned the fact that even though the price which the farmer receives for his product has been going down over the years, the cost of the same product to the consumer has been going up.

Let us assume, as is the case at the present time and will be for some time to come, and even if Mr. Benson has his way, that wheat is selling in Montana and the Dakotas at \$2 a bushel, and that the wheat is sent to Minnesota for milling. What does it cost to mill a bushel of wheat? Does the Senator from North Dakota have any idea about that?

Mr. YOUNG. I do not have the information; I am sorry.

Mr. MANSFIELD. It costs somewhere between 50 cents and 75 cents. Then it goes to the baking concern, and the bushel of wheat is baked into loaves of bread. Does the Senator from North Dakota have any idea how much the total number of loaves of bread will sell for?

Mr. YOUNG. I know that it is about 2.6 cents a loaf so far as the farm cost of wheat is concerned.

Mr. MANSFIELD. The total cost of that bushel of wheat comes to somewhere between \$14 and \$15. The farmer gets \$2. The miller gets about 75 cents, or six bits. The baker gets a little bit also. Who makes the money? Is it the farm-

er? Of course not. He gets very little. Someone somewhere along the line, is raking in the money, and the price of bread, regardless of the price of wheat, goes steadily upward.

Therefore, as the Senator has said, the farmer is being made the goat in the parity picture, and it is about time that the picture is laid on the table. If we are to criticize the farmer because of subsidies alleged to be paid him, then we should also criticize the railroads and steamships and airlines, and look into the tariff, which, after all, is a subsidy for business—a needed one, I believe—and then we should also consider the magazines and newspapers which are being paid subsidies, as was brought out in the debate a few days ago. All those enterprises receive subsidies from the Government.

Mr. YOUNG. I thank the Senator for his statement. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a table prepared by the Department of Agriculture showing the cost of wheat in a loaf of bread.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE III

Year	Cash price support level	Retail price of a 1-pound loaf of bread	Farm value of the wheat in a loaf of bread
	Cents	Cents	Cents
1948.....	2.0	13.9	2.6
1949.....	1.95	14.0	2.4
1950.....	1.99	14.3	2.5
1951.....	2.18	15.7	2.6
1952.....	2.20	16.0	2.6
1953.....	2.21	16.4	2.5
1954.....	2.24	17.2	2.7
1955.....	2.08	17.7	2.7
1956.....	2.0	17.9	2.6
1957.....	2.0	18.8	2.6

Estimated number of families in the United States, 42,548,000.

Source: Murray Thompson, Office of Price.

Mr. YOUNG. Mr. President, for example, in 1948 the price support on wheat was exactly the same as it is today, \$2 a bushel. The cost of a 1-pound loaf of bread was 13.9 cents in 1948, and the farm value of the wheat in a loaf of bread was 2.6 cents.

The PRESIDING OFFICER. The time of the Senator from North Dakota has expired.

Mr. ELLENDER. Mr. President, I yield five more minutes to the Senator from North Dakota.

Mr. YOUNG. Although in 1957 the price support was exactly the same as 10 years ago, the price of a loaf of bread had risen, from 13.9 cents to 18.8 cents.

I believe that is a complete contradiction of the unreliable and inaccurate—and purposely inaccurate—statements of the kind the Senator from Minnesota has quoted.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. AIKEN. The charge has been made that the joint resolution would freeze rigid price supports into law. Is that a correct statement?

Mr. YOUNG. No. It would freeze them at not less than last years level.

Mr. AIKEN. Does it freeze rigid supports?

Mr. YOUNG. It places them exactly where they are under present law.

Mr. AIKEN. Is it not true that the only commodities which would benefit by the joint resolution would be rice, which would be maintained at 82 percent of parity, instead of 75 percent, as the Secretary proposes; wheat, which would be maintained at 79 percent of parity, instead of 75 percent; manufacturing milk, at 82 percent, instead of 75 percent; and butterfat, at 79 percent, instead of 75 percent?

Is it not true that those are the only commodities which would be affected at all, and that the same flexibility which has existed for most of the commodities will continue to exist in the future, namely, from 75 percent to 90 percent?

Mr. YOUNG. That is correct.

Mr. AIKEN. Therefore only rice and wheat and manufacturing milk are affected, regardless of what anyone may say. Corn is not affected. The support price for the 1958 corn production which corresponds to the 14 percent of corn production which was in compliance last year would be set at 77 percent of parity instead of 75 percent, but let us not lose sight of the fact that 86 percent of the corn production last year was produced on noncompliance acreage, and that would not be affected by the resolution. Any statement that the joint resolution would restore and freeze rigid 90 percent price supports is simply—well, the Senator can use his own adjective to describe that kind of statement.

Mr. YOUNG. I appreciate the statement of the Senator from Vermont.

Mr. AIKEN. I was not enthusiastic over this way of maintaining farm prices. I realize, however, that in the concerted attack upon price supports for farm commodities someone is making a major contribution to the recession in the United States. I expect to vote for the joint resolution, not because it is the way to set support prices, but because it may be the only way we can head off greater effects of the depression in the farming areas.

Mr. YOUNG. I certainly agree with the Senator from Vermont. I do not know of any time in recent years when it has been more necessary to stabilize the price of farm commodities than now.

What sense is there to helping other segments of our economy to prevent a depression when we are purposely reducing the level of income to farmers?

Much has been said about higher price supports increasing surpluses. I have had a table prepared by Mr. Kendall, of the Senate Committee on Agriculture and Forestry, showing the number of acres planted to wheat and the farm prices for each year since 1927.

For example, in 1932 the price of wheat was 38 cents a bushel, and the farmers planted 66,281,000 acres. One would naturally think that when the price reached the low level of 1932 that the farmers would decrease their acreage of wheat the next year. That is not the



case, however, and, actually, in 1933, the year following that very low price of wheat, the lowest in 30 years or more, the farmers increased their wheat acreage from 66,281,000 to 69,009,000 acres in 1933.

I ask unanimous consent to have that table printed in the RECORD as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Year	Acres planted to wheat	United States farm prices
1927.....	65,661	1.08
1928.....	71,152	.99
1929.....	67,177	1.03
1930.....	67,559	.66
1931.....	66,463	.38
1932.....	66,281	.38
1933.....	69,009	.74
1934.....	64,064	.84
1935.....	69,611	.83
1936.....	73,970	1.02
1937.....	80,814	.96
1938.....	78,981	.56
1939.....	62,802	.69
1940.....	61,820	.67
1941.....	62,707	.94
1942.....	53,000	1.09
1943.....	55,984	1.35
1944.....	66,190	1.41
1945.....	69,192	1.49
1946.....	71,578	1.90
1947.....	78,314	2.29
1948.....	78,345	1.98
1949.....	83,905	1.88
1950.....	71,287	2.00
1951.....	78,524	2.11
1952.....	78,645	2.09
1953.....	78,931	2.04
1954.....	62,539	2.12
1955.....	58,241	1.99
1956.....	60,658	1.97
1957.....	49,999	1.94

NOTE.—Since World War II there have been 7 general freight increases.

Source: Jim Kendall, Senate Agriculture Committee.

#### Realized net farm income

Year:	Millions of dollars
1947.....	17.191
1948.....	15.943
1949.....	13.673
1950.....	12.857
1951.....	14.802
1952.....	14.256
1953.....	13.880
1954.....	12.190
1955.....	11.581
1956.....	12.070
1957.....	11.532

Source: Jim Kendall, Senate Agriculture Committee.

#### Producer's share of consumer dollar

Year:	Percent
1946.....	52
1947.....	51
1948.....	51
1949.....	47
1950.....	47
1951.....	49
1952.....	47
1953.....	44
1954.....	43
1955.....	41
1956.....	40
1957.....	40

Source: Jim Kendall, Senate Agriculture Committee.

Mr. YOUNG. Mr. President, the table proves conclusively that there is not one iota of truth to the statement that lower prices will solve our surplus problem. We will have farm surpluses in postwar periods whether we have price supports or no price supports at all.

The PRESIDING OFFICER. The additional time of the Senator from North Dakota has expired.

Mr. ELLENDER. I yield 5 additional minutes to the Senator from North Dakota.

Mr. YOUNG. Mr. President, the lower dairy price supports as proposed by Secretary Benson, and which this resolution seeks to prevent, are very unlikely to be passed on in lower prices to the consumers.

The prices of some farm commodities, both price supported and nonprice supported, are fairly good. This is almost entirely because Congress has insisted on maintaining a fair level of price supports.

The greatest problem farmers have today is the rising cost of everything they have to buy and the increasing number of items they need as farming becomes more technical.

Mr. President, during the 1947-49 period, the average price for a gallon of gasoline was 21.9 cents, and on September 15, 1957, it had risen to 27 cents, or an increase of 23 percent. During this same period a 39-horsepower tractor went up from \$2,100 to \$3,000, or 43 percent; a 3-bottom tractor plow went up from \$269 to \$400, or 49 percent; a disk harrow went up from \$202 to \$301, or 49 percent; manure spreaders went up from \$332 to \$513, or 55 percent; grain drills went up from \$475 to \$754, or 59 percent; combines—a 12-foot self-propelled—went up from \$4,310 to \$6,140, or 42 percent; and 2-row cornpicker huskers went up from \$1,210 to \$1,980, or 64 percent.

Mr. President, I ask unanimous consent to have this table inserted in the RECORD as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

The index numbers of prices paid by farmers for production items (1910-14=100) for the years 1947-58 is as follows:

1947.....	224
1948.....	250
1949.....	238
1950.....	246
1951.....	273
1952.....	274
1953.....	253
1954.....	252
1955.....	249
1956.....	249
1957 <sup>1</sup> .....	258

<sup>1</sup> January-October average.

This shows an increase from 1947 to 1957 of 15 percent, and an increase of 9 percent from the 1947-49 average.

Specific items included in the production index have increased in actual retail prices as follows:

Commodity and unit	Average prices paid by farmers—		Percent increase
	Average 1947-49	Sept. 15, 1957	
Gasoline, tank truck, per gal.....	Cents .219	Cents .270	23
Wheel tractor, 30 to 39 belt horsepower, each....	Dollars 2,100	Dollars 3,000	43
Plows, tractor, 3-bottom, each.....	269	400	49
Disk harrows, tandem, each.....	202	301	49
Manure spreaders, each....	332	513	55
Grain drills, 20-tube, each.....	475	754	59
Combines, self-propelled, 12-foot, each.....	4,310	6,140	42
Cornpicker-huskers, 2-row, each.....	1,210	1,980	64

Mr. THYE. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. THYE. The table which has just been placed in the RECORD by the distinguished junior Senator from North Dakota is a convincing argument concerning the problem which faces the producer. No one knows the answers to the problems of the farmer better than does the distinguished Senator from North Dakota. Not only was he an operating farmer when he came to the Senate, but his sons are operating the farm today in North Dakota. The Senator knows what the farmer is faced with. He understands the farmer's problems at first hand. He is not merely reading formal statistics; neither does he get his knowledge out of books. He knows the facts first hand.

Mr. YOUNG. I appreciate that statement coming from my good friend, the distinguished Senator from Minnesota.

I have read many articles which claimed that we in Congress who represent the farming areas really do not believe in these farm programs ourselves. Of my own knowledge, I do not know of a single Member of Congress who does not firmly believe in these programs and the cause of the farmers. Anyone who has ever lived on a farm or has had any actual experience in farming would not sit idly by when farming is in the predicament it is in. It may be that some Members of Congress will be defeated the next election and will no longer be able to speak here for farmers; but the voice of the farmers will be heard in Congress in the future, whether through Republicans or Democrats.

It seems almost ridiculous for one cabinet member in this administration, Secretary Benson, to propose lower prices, and less purchasing power for the farmers at a time when the wages of labor are increasing—and while other cabinet members are planning multi-billion-dollar spending programs to provide employment for the unemployed.

Mr. President, I believe it is necessary for the administration to take action to help the unemployed. I am not taking issue with increased wages for



labor. It does seem to be ridiculous, however, to purposely lower farm income still more when net farm income has been dropping year by year, and when this drop in purchasing power is the primary cause of the recession which is facing this Nation today.

I hope the resolution will be passed.

Mr. BARRETT. Mr. President, I yield 15 minutes to the distinguished senior Senator from Florida.

Mr. HOLLAND. Mr. President, it saddens me to see the Senate, which is generally a deliberative body, approach the enactment of so revolutionary a law as is proposed by the pending joint resolution without hearings, without a record, without giving a chance to farm organizations to be heard, without giving a chance to the Department of Agriculture to be heard, without giving anyone else a chance to know what is included in the joint resolution, which was introduced only a few days ago.

I call attention to the fact that, as is well known to my colleagues on the Committee on Agriculture and Forestry, at the last meeting of the committee we had to make some changes in the form of the resolution as it had been overhastily reported the day before. That is not the way to enact sound legislation. Neither is it sound to legislate without any idea of what the people affected think about the matter.

I have just received a telegram from the president of the American Farm Bureau Federation, Mr. Charles B. Shuman, which I shall read into the RECORD, as follows:

WASHINGTON, D. C., March 13, 1958.

HON. SPESSARD L. HOLLAND,  
Senate Office Building, Washington, D. C.:

Senate Joint Resolution 162 rigidly fixing price supports and acreage allotments is against the long time interest of farmers and should not be approved.

CHARLES B. SHUMAN,  
President, American Farm Bureau Federation.

Mr. President, as I recall, the American Farm Bureau Federation has about 1,700,000 farm families as members.

I have also received a telegram from the Florida Farm Bureau Federation, which reads as follows:

GAINESVILLE, FLA., March 12, 1958.

HON. SPESSARD L. HOLLAND,  
United States Senator,  
Senate Office Building,  
Washington, D. C.:

We commend you on your vote against fixing dairy price support at 1957 level. Urge you to continue holding the line against bills of this type dealing with dairy and other commodities.

T. K. MCCLANE,  
Executive Vice President,  
Florida Farm Bureau.

Mr. President, the fact of the matter is that this is well intended proposed legislation, but it is hasty, carelessly drawn, and unwise. For that reason, I protest very vigorously against its enactment. I realize that what I shall say probably will not change a single vote; but I want the record to show what I believe to be the facts about the joint resolution. That is why I am speaking now.

First, I want every Senator to ask himself this question, and I am particularly looking at Senators from the wheat-producing States: Would this action be fair to those who have signed up under the Soil Bank program?

I note, by looking at a table compiled by the Department of Agriculture—USDA 652-58—that, in connection with wheat, there have been 164,944 applications signed and filed in county ASC

offices for the retirement of acreage under the acreage reserve program of the Department, and that the number of acres retired is 4,875,092—almost 5 million acres.

Mr. President, I ask unanimous consent to have the table printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

1958 acreage reserve participation through Feb. 28, 1958

Commodity	Applications signed and filed in county ASC offices			All offerings, including applications filed and those on waiting lists (registers)	
	Number of applications	Number of acres	Maximum payments	Number of acres	Maximum payments
Wheat (all) <sup>1</sup>	164,944	4,875,092	97,180,495	5,442,357	\$107,336,540
Corn	197,207	3,957,237	167,971,622	7,232,267	311,998,026
Cotton	234,387	3,091,977	168,963,888	5,096,627	282,073,230
Rice	4,156	131,749	8,907,870	158,581	10,658,772
Tobacco:					
Flue-cured	(27,634)	(55,012)	(13,790,015)	(68,510)	(17,124,357)
Type 21	(1,091)	(1,125)	(185,675)	(1,258)	(207,634)
Types 22-23	(3,770)	(5,694)	(973,379)	(7,280)	(1,251,352)
Burley	(11,279)	(7,352)	(1,904,237)	(8,759)	(2,280,388)
Maryland	(1,449)	(6,982)	(1,060,534)	(8,575)	(1,302,606)
Dark air-cured	(3,521)	(2,031)	(312,734)	(2,049)	(315,920)
Virginia sun-cured	(1,158)	(1,943)	(266,246)	(2,135)	(292,570)
Types 42-44	(135)	(410)	(63,010)	(610)	(93,716)
Type 51	(716)	(3,037)	(1,066,945)	(3,037)	(1,066,945)
Type 52	(994)	(3,405)	(1,278,909)	(3,405)	(1,278,909)
Type 54	(163)	(460)	(65,083)	(487)	(68,857)
Type 55	(849)	(2,022)	(337,502)	(2,262)	(378,318)
Total tobacco	52,759	89,473	21,304,269	108,367	25,661,572
Total all crops	653,453	12,145,528	464,328,144	18,038,199	737,728,140

<sup>1</sup> Includes about 3,900,000 acres of winter wheat acreage signed last fall.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HOLLAND. I shall yield later, after I have completed my thought.

The footnote shows that 3.9 million acres of that total—although it does not show the total number of growers participating—was in winter wheat which was signed last fall for retirement from production.

I simply ask the Senators from the wheat-producing States to ask themselves this question: Is it fair to the owners of 3.9 million acres of winter wheat, who retired their acreage last fall on the assumption that they were dealing with a program which called for a price support of \$1.78 a bushel, to hold them to those agreements—it is impossible for them to be redrafted now, because the time for such has long passed—after we have changed the program to guarantee a price support of \$2 a bushel? Would they have come in on that basis? No one will ever know.

To my mind, it seems completely unfair to even think of changing the situation now, because not only will they have signed up under a misapprehension as to what they were guaranteed by their Government, in the event the resolution is passed, but also they will be in an unfavorable position as compared with any who may sign up after the enactment of the joint resolution, because those who sign after the enactment of the joint resolution will be under a price-support inducement of \$2 a bushel.

Now I yield to the distinguished Senator from North Dakota.

Mr. YOUNG. I appreciate the Senator's yielding.

I have been in the wheat farming business all my life. I think I know something about the wheat farming business. I do not think one Senator has received a letter from a wheat producer anywhere in the United States complaining about any inequity which would take place if price supports were frozen at last year's level. If the farmers who are concerned in the matter had any complaint or objection whatsoever, they would have written to at least one Member of the Senate.

Mr. HOLLAND. My feeling is that since we do not know what we are about to do, how can we expect the farmers who produce wheat in the farflung States of the West, to know what we are about to do for them?

I call the attention of the Senator from North Dakota and other Senators from wheat States to the fact that growers in very large numbers—164,944 up to February 28, 1958—had signed acreage reserve contracts on the basis, as they were told, that the price of the support as guaranteed by the Government was \$1.78.

I am here to say that I do not believe it would be fair to a single one of those growers if the Congress were now to proceed to change the rules of the game while the game is in process, and if the Congress were to proceed to write, for the benefit of other wheatgrowers, acreage-allotment provisions which would enable them to receive more for each acre they retired from production, and a greater percentage of the value of the



crop which otherwise would be produced on those acres, than was received by the farmers who previously signed up.

Mr. President, any Senator who wishes to attempt to meet that point, can attempt to do so on his own time. But I do not believe it can be met.

I believe it would be completely unfair to thousands of growers throughout the Nation if the rules were changed, as now proposed, in the middle of the game, at a time some months after many of these wheat farmers—the 164,944 who have come under the program—placed their acreage in the Soil Bank.

Mr. LAUSCHE. Mr. President, can the Senator from Florida tell me the total number of acres entered in the winter-wheat program?

Mr. HOLLAND. I cannot say. But the Department of Agriculture has issued this bulletin, and I shall gladly hand it to the distinguished Senator from Ohio. It shows that 3,900,000 acres were retired from production last fall, as winter-wheat land, under the program which established the price support at \$1.78 a bushel, whereas under the proposal now before the Senate the wheat farmers who would participate in the program at a much later time would have the benefit and inducement of a price support of \$2 a bushel.

Mr. LAUSCHE. Then is it the position of the Senator from Florida that the group of wheat farmers who retired the 3,900,000 acres from production last fall or early this spring were told, in effect, "All you will be entitled to as a price support will be \$1.78 a bushel," whereas under the pending measure the entirely separate group of those who would enter the program at a much later time would be paid and guaranteed a support of \$2 a bushel?

Mr. HOLLAND. I do make that statement.

Furthermore, I say to the Senator from Ohio that those who signed up first, and who first evidenced their willingness to cooperate with the Government of the United States by reducing their planting, and thus decreasing the surplus, would be discriminated against, for the pending measure proposes that those who would offer at a much later time to cooperate would be offered a much more attractive deal than the one given to those who cooperated last fall.

Mr. LAUSCHE. Was the information on which the Senator from Florida bases his statement given to him by the Department of Agriculture?

Mr. HOLLAND. It was.

Mr. LAUSCHE. Do the figures the Senator from Florida has before him show the acreage withdrawals in Ohio?

Mr. HOLLAND. I am sorry, they do not; they simply show the figures for the entire Nation.

Mr. LAUSCHE. Is the pending proposal to be compared with the one we were considering a few days ago when we voted down a measure which would have provided, in connection with the allocation of \$250 million, a formula entirely different from the one applicable to the allocation of \$500 million under the Soil Bank program?

Mr. HOLLAND. The two situations are not identical, but the principle involved is the same.

In the present case it is proposed that there be established a new rule by means of which the payment for every acre of wheat land retired from now on by the wheat growers would be based on a support price of \$2 a bushel if he had planted wheat whereas all the wheat land heretofore retired—amounting to almost 5 million acres—was retired on a support price of \$1.78.

Furthermore, the latter are the wheat farmers who up to this time have participated in the acreage-reserve program, and who by their acts have shown that they were the most willing to cooperate with their branch of agriculture and with the United States Government, by reducing the surplus—and it is a surplus—of more than 1 year's supply of wheat. Furthermore, they are the ones who participated in the acreage-reserve program.

Mr. LAUSCHE. Is it correct that, a few days ago, it was stated on the floor of the Senate that the application of 2 different principles to 2 identical situations could not be countenanced, and, therefore, the Congress should not apply one rule to the distribution of \$500 million, and another, different, rule to the distribution of \$250 million?

Mr. HOLLAND. The Senator from Ohio is entirely correct. Let me remind him that the \$250 million which was appropriated the other day will be used for another large program of sign-ups.

But at this time the Senate is being asked to make itself a deliberate party to a program under which the wheat farmers who sign up from now on would receive a greater inducement than was given to the wheat farmers who have shown a greater willingness to cooperate, and who signed up last fall and this spring.

Mr. YOUNG. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. Yes, if I may have more time yielded to me.

Mr. YOUNG. I should like to remind the able Senator from Florida that the Secretary of Agriculture has not yet set the final price support on wheat. It is true that he set it tentatively at \$1.78 a bushel. But the final support has not yet been set. But, in the meantime, the existing regulations provide for \$1.78.

Mr. HOLLAND. Mr. President, I remind my distinguished friend, the Senator from North Dakota, that the 3,900,000 acres already signed up, as of last fall, are irrevocably signed up. Now that they have been retired from production by their owners, who thus evidenced their willingness to cooperate with the Government's program, those farmers are not in a position to make a change in the case of those acres of land. However, we do not know whether those farmers would have agreed to put even 1 acre of land into the program if they had known that at a later time the support would be set at \$2 a bushel.

Mr. CAPEHART. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. Yes, if I have time in which to yield.

Mr. CAPEHART. If I were a member of the committee, perhaps I would not need to ask this question. But I should like to ask why the Congress does not enact a new law or amend the present law in order to do exactly what the Congress thinks should be done.

Mr. HOLLAND. I cannot answer that question, because the proposal is not one which I support. I do not think it is fair.

I believe the pending measure, if enacted into law, would be a monstrosity. I believe it would completely depart from the parity concept. Certainly it would do so, because the pending measure is based on a dollars-and-cents floor not on the parity concept.

Senators have only to examine one of the lists prepared by the Department of Agriculture, to find that the concept of the pending joint resolution is entirely different from the parity concept based on percentage levels, because in each instance there would be a change in the comparative value of the products of the industry.

But now it is proposed not only to freeze the floor in each case, but also to proceed, not on the parity basis—with which all of us are familiar—but on the basis of dollars and cents—which would work monstrous ill to a great many people.

Mr. CAPEHART. I notice that the joint resolution provides, in part:

This joint resolution shall be effective only until such time as Congress shall make other provision for price supports and acreage allotments and provide for the repeal of this resolution.

Under these circumstances, why does not Congress do that now?

Mr. HOLLAND. Mr. President, I shall say to the Senator from Indiana that that part of the joint resolution means that if it is enacted into law, it will be permanently in effect until it is superseded by a new law. If, following enactment of the pending joint resolution—if it were enacted—10 years passed before new legislation in this field were enacted, for that 10-year period there would be an artificial price floor based on dollars and cents—a floor which would depart from the parity basis which now prevails.

Mr. President, I do not believe the Members of the Senate have the slightest realization that when they are asked to pass this joint resolution, they are being asked to depart entirely from the time-honored parity concept.

Mr. CAPEHART. Then is it fair to say that the situation is that we, the Members of Congress, do not know what to do, but we are opposed to what the Secretary of Agriculture is doing, and at a later time we expect to tell him specifically, by law, what we think he should do?

Mr. HOLLAND. I think probably that would be a fair statement of the attitude of those who support the pending measure.

Mr. President, in view of the fact that I do not support the pending joint resolution, I have no confidence in the ability of the Congress later to supply, quickly, much needed general legislation



in this field—when I realize that this particular measure departs from the price-support floor which has been prescribed for nearly every product in the long list of products which will be affected by the joint resolution, if it goes into effect.

Mr. CAPEHART. As a farmer, I am not at all happy about the situation.

The PRESIDING OFFICER. The time yielded to the Senator from Florida has expired.

Mr. HOLLAND. Mr. President, will the Senator from California yield further time to me?

Mr. KNOWLAND. Mr. President, I yield 10 additional minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 10 additional minutes.

Mr. HOLLAND. I thank the Senator from California.

Mr. CAPEHART. Mr. President, I should like to ask a further question of the Senator from Florida.

Mr. HOLLAND. I yield.

Mr. CAPEHART. When will Congress specifically tell the Secretary of Agriculture, by law, exactly what Congress wishes to have done?

Mr. HOLLAND. I cannot answer that question. But the Senate has a woeful choice to make, when it is asked to vote on the pending joint resolution.

Mr. JOHNSTON of South Carolina. Mr. President—

Mr. HOLLAND. Mr. President, I wish to make a few other remarks, and then I shall yield to the Senator from South Carolina.

At this time I wish to refer to rice. If Senators will examine the figures on rice, as they are included in the table to which I have referred, and which I have already submitted for printing in the RECORD, they will find that 4,156 ricegrowers have entered into acreage-reserve contracts which retire from production 131,749 acres of riceland.

The point I make as to them is exactly that which I have made as to wheat growers. It is that every Senator from a State with rice production might well remember he is asked to support a program which really penalizes the farmers who have voluntarily shown a willingness to cooperate in the reduction of the product, and which gives a better deal to those who will come into the program from now on than was given to the four-thousand-odd who had cooperated in the program as of February 28, 1958.

That is only part of the story, but my time does not permit me to go further. We are again being asked today to do the same thing we were asked to do previously—to run in two directions at the same time. We have recently appropriated \$250 million to retire more acres, on a basis which then prevailed, which we expected would result in retirement of much acreage. We are now asked to bring about this price-support freeze, a situation containing much less inducement to any grower, who might be inclined to retire his acreage, to do so, because he is assured of a higher price support under this proposal than was

the case when we appropriated the \$250 million.

How idle it is to change the rules in the middle of these games. I say games, but this is a deadly serious business to millions of producers throughout the country. To ask them to operate under different rules than those under which they have been operating, to prejudice many thousands who have shown the greatest willingness to cooperate with the Department of Agriculture, is something that is wrong for us to do.

Mr. THYE. Mr. President, will the Senator yield? I shall be glad to yield the Senator a minute of my time, so that I may ask him a question and he may reply.

Mr. HOLLAND. I shall be glad to yield to the Senator from Minnesota in a moment. I promised first to yield to the Senator from South Carolina. I shall not be able to do so until I complete my remarks.

We all know by the very terms of the joint resolution there is being proposed a permanent floor, until and unless permanent general legislation changing it shall be enacted. Considering how

greatly this proposal departs from the flexible price support program which was passed, with great effort, by the entire Congress, and under which farmers are trying to comply, and in compliance with which they have made much progress in some farming industries, to change that basis entirely is, I think, wrong.

I should like to invite attention to one more matter, and that is that instead of bracketing small grains into one group, with a maximum and minimum price support, under the proposed program the very opposite thing is expected to be done. The chart I have in my hand shows that price supports for barley would be 95 cents a bushel; for flaxseed, \$2.92; for oats, 61 cents; for rye, \$1.18; for grain sorghums, \$1.86; for soybeans, \$2.09.

Mr. President, for the benefit of Senators, I ask unanimous consent to have the chart printed in the RECORD at this point in my remarks.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

*Commodity Credit Corporation price support levels and prices for 1957 and 1958 crops*

Commodity	Unit	1957 crops		1958 crops	
		Support level	Support price	Support level	Support price
Basic commodities:					
Corn <sup>1</sup> .....	Bushel.....	77.0	\$1.40	(2)	(2)
Cotton, extra long staple.....	Pound.....	75.0	.5970	(2)	(2)
Cotton, upland.....	do.....	78.0	.2381	81	\$0.3075
Peanuts.....	do.....	81.4	.1135	(2)	(2)
Rice, rough.....	Hundredweight.....	82.0	4.72	75	\$4.33
Wheat.....	Bushel.....	79.0	2.00	75	\$1.78
Mandatory nonbasic commodities:					
Honey.....	Pound.....	70.0	.097	70	.096
Dairy products:					
Manufacturing milk.....	Hundredweight.....	82.0	3.25	75	3.03
Butterfat.....	Pound.....	79.0	.586	75	.562
Tung nuts.....	Ton.....	65.0	52.13	(2)	(2)
Tung oil.....	Pound.....		.205	(2)	(2)
Mohair.....	do.....	87.0	.70	82	.70
Wool.....		101.0	.62	95	.62
Other nonbasic commodities:					
Barley.....	Bushel.....	70.0	.95	70	.93
Beans, dry edible.....	Hundredweight.....	68.0	6.31	68	6.18
Cottonseed.....	Ton.....	65.0	46.00	65	45.00
Flaxseed.....	Bushel.....	65.0	2.92	65	2.78
Gum naval stores.....	Barrel <sup>3</sup> .....	\$90.0	28.29	\$90	29.04
Oats.....	Bushel.....	70.0	.61	70	.61
Rye.....	do.....	70.0	1.18	70	1.10
Sorghums, grain.....	Hundredweight.....	70.0	1.86	70	1.83
Soybeans.....	Bushel.....	70.0	2.09	70	2.09

<sup>1</sup> Commercial support for corn produced in compliance with acreage allotments.

<sup>2</sup> Not announced.

<sup>3</sup> Minimum.

<sup>4</sup> Unprocessed basis.

<sup>5</sup> 435 pounds processed basis.

Mr. HOLLAND. Mr. President, the relative positions of those commodities and the relation of the whole group to corn will be entirely changed if this ill-considered measure should become law.

I do not know why Senators, who are generally deliberate men, rush into the Senate and, without hearings, without any chance to study what it is they are being asked to do, propose to wipe away the distinction between corn and small grains which has existed before, and under which small grains were placed in the same classification, with the same parity floor. I now yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. This matter was discussed in the Com-

mittee on Agriculture and Forestry. The only reason we are trying to have the joint resolution passed at this time is that we realize agriculture is in a critical condition, and we wish only to hold the line, so to speak, and to insure that acreage allotments and price supports shall not be lowered beyond what they are at the present time, in order that a subcommittee of which I am chairman, as well as the full committee, may consider and report a bill on the subject. We do not want to do anything that might jeopardize our objective. Is that statement not correct?

Mr. HOLLAND. I know, and I completely concede that the intentions of my friend, the Senator from South Caro-



lina, are most honorable. I think if we had been able to enact general legislation, it would have been done a long time ago. This is a question which addresses itself to 96 Senators and 435 Representatives. We have been pulling in opposite directions, and I think there is no possibility at all of enacting, at an early date, general legislation.

I should like to say to the Senator from Vermont [Mr. AIKEN], who is generally so sure in his facts and definite in his statements, that I was amazed when he made the statement to the Senate a while ago to the effect that the only commodities affected by the change were wheat, rice, and milk products.

Mr. AIKEN. I meant any practical change, because there would be a slight change in barley and dry edible beans.

Mr. HOLLAND. There are variations in commodities which are on mandatory price supports or voluntary price supports. A look at the list I have placed in the RECORD will disclose, for instance, that, as to barley, there is a difference as between 95 cents and 93 cents. A greater difference might result, because we are not freezing parity; we are freezing dollars-and-cents figures.

It will also be seen that in the case of beans there is a difference as between a price of \$6.31 as against \$6.18; and there might easily be a much greater difference.

Because of the limitation of time, I cannot go into all the commodities, but the distinguished Senator will see he made the mistake of looking at the percentage column, because the percentages were left unaffected. The measure was not his, and I absolve him from the accusation that he offered it, but the measure proposes a freeze on the basis of dollars and cents, instead of on the percent-of-parity basis, as the Senator well knows.

Mr. AIKEN. Is it not a fact that where the percentage is the same, but the dollars-and-cents figures vary 2 or 3 cents, it means farmers' costs have gone up so that the parity price has been affected. In that case why should he not get the extra few cents?

Mr. HOLLAND. I point out that some figures are adjusted downward and some upward.

Mr. AIKEN. There is a slight variation. I probably should have said "material difference."

Mr. HOLLAND. Mr. President, I ask unanimous consent that I may be allowed 1 additional minute, so that I may yield to the distinguished Senator from Minnesota.

The PRESIDING OFFICER. Without objection, the Senator may proceed.

Mr. THYE. The only reason I asked the distinguished Senator to yield to me was that I have in my hand a letter from Marvin L. McLain, Assistant Secretary of Agriculture, dated March 4, 1958, with which letter is enclosed a news release from the Department dated February 28, which is headed "Cancellation Date For Corn, Cotton, and Spring Wheat Acreage Reserve Applications Extended to March 28."

The Secretary was changing the rules. I wanted to call the attention of my distinguished friend from Florida to the

fact that the Department of Agriculture was changing the rules in the middle of the winter months.

Mr. HOLLAND. I beg to differ with my distinguished friend. The Department of Agriculture was operating under an act which had been passed by the Congress. The Department was being advised by the ablest attorneys it could find and by the GAO as to what its duties were in interpreting that act. The Department was following the mandate of the Congress. There has been no change of rules at all. In some instances, there has been a change of price supports.

Mr. THYE. Mr. President, if my dear friend will yield further—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. THYE. Mr. President, I ask for another minute.

Mr. HICKENLOOPER. I yield 1 additional minute.

Mr. THYE. The date was first set at February 20, and the farmers all proceeded upon the assumption that they were dealing with a final date of February 20. The Department finally changed the date to March 28. It was that item which I wanted to bring to the attention of my distinguished friend, because the Department changed the rules in the middle of the winter.

Mr. HOLLAND. Mr. President, if I may be allowed time to answer that statement, it seems to me that the Department has meticulously kept its word to everybody, because it has come in to ask Congress to undo the damage which was done last year, when we appropriated for the Soil Bank only \$500 million rather than the \$750 million as authorized. The Department of Agriculture has done the honorable thing in asking that the money be restored. I think the Senate approved that honorable recommendation when, the other day, it appropriated an additional \$250 million, which I understand will be adequate to take care of everybody.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. THYE. Mr. President, I was opposed to the limitation of the funds a year ago. It was my amendment which proposed the increased amount for that phase of the Soil Bank.

Mr. HOLLAND. Mr. President, may I request that I be granted 30 seconds to make the RECORD clear?

Mr. HICKENLOOPER. Mr. President, I yield 1 additional minute.

Mr. HOLLAND. My distinguished friend the Senator from Minnesota is entirely correct in his statement that he was in favor of the restoration of the \$500 million, which our committee restored last year after the House cut out everything.

Mr. THYE. The Senator is correct.

Mr. HOLLAND. The point I made was that the Congress appropriated only \$500 million, whereas we had authorized \$750 million. That was the size of the program we had set up.

Mr. ELLENDER. Mr. President, I yield 15 minutes to the distinguished Senator from Minnesota [Mr. HUMPHREY].

May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

Mr. HUMPHREY. Mr. President, I should like to address myself to the comments made by some of my colleagues, and, in the time allotted to me, to place in the RECORD certain statistical tables, of economic analyses which will set the RECORD straight.

First, we are dealing with Senate Joint Resolution 162, which was well considered by the Committee on Agriculture and Forestry, and not hastily considered. The body of the resolution was pending in the committee for almost 3 weeks. Extensive testimony was taken on the whole subject matter of agriculture's present plight.

There has been no lack of hearings, no lack of interest, no lack of dedication on the part of the members of the committee. The reports are complete. The statistical evidence is comprehensive. The testimony of witnesses relating to one commodity after another is detailed and emphatic. The vast majority of witnesses urged immediate emergency action to prevent further price decline.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I should like to continue my statement, and at the end of about 12 minutes I shall be happy to yield.

Mr. President, the distinguished Senator from Illinois [Mr. DIRKSEN] quoted the figures which had been given to him by the Department of Agriculture. These same figures were given to the committee, and were found by the committee as being inaccurate and misleading. As a result, these figures were subsequently adjusted by the Department of Agriculture. The Department has termed certain items "losses" in the price-support operations, but the figures which the Senator from Illinois used as being alleged losses under the price-support operations cannot be substantiated as losses. The committee so proved during its hearings with the Secretary. The record of the testimony is all the evidence that is needed.

The Secretary of Agriculture today continues to repeat outright misrepresentation of the economic facts. The Secretary says in a press dispatch which I have in my hand:

Farm prices have been improving and per capita income of farm population is the highest on record.

Mr. HILL. Who says that?

Mr. HUMPHREY. Secretary of Agriculture Benson says that.

Let us examine this statement.

Yes, per capita income of the farm population is the highest on record. But that is not the farm income of the farm population. That includes the nonfarm income, plus the highest Federal Government payments per capita in the history of the United States. The per capita farm income of the farmer is down substantially from 1951 and 1952, and down from 1953 and 1954—as bad as those 2 years were.

I do not ask Senators to take my word for it. I have before me the table which was submitted by the Department of Agriculture.

Mr. President, I ask unanimous consent to have printed in the RECORD the tables on page 197 of the committee



hearings, as published, entitled "Farm Population, Number of Farms, and Percent of National Income," "Farm Income and Production Expenses," and "Index of Prices Received, Prices Paid, and Parity Ratio, All Farm Commodities;" and the figures set forth on page 201 of the same hearings in the table entitled "Per Capita Income of Farm People, 1934-57."

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

*Farm population, number of farms, and percent of national income*

Year	Number of farms	Farm population	Percent of total population	Farm net income as a percent of national income
1950.....	5.6	25.1	16.5	9.4
1951.....	5.5	24.2	15.7	9.4
1952.....	5.4	24.3	15.5	8.7
1953.....	5.3	22.7	14.2	7.6
1954.....	5.2	21.9	13.5	7.3
1955.....	5.1	22.2	13.4	6.7
1956.....	5.0	22.3	13.2	6.4
1957.....		20.4	11.9	

*Farm income and production expenses*

[Billions of dollars]

Year	Cash income from farm marketing	Realized gross farm income <sup>1</sup>	Production expenses	Realized net income	Farmers total net income <sup>2</sup>
1950.....	28.4	32.1	19.2	12.9	13.7
1951.....	32.9	37.1	22.3	14.8	16.1
1952.....	32.6	36.7	22.5	14.3	15.1
1953.....	31.2	35.1	21.2	13.9	13.3
1954.....	29.9	33.7	21.5	12.2	12.7
1955.....	29.5	33.2	21.6	11.6	11.9
1956.....	30.4	34.4	22.3	12.1	11.6
1957.....	30.1	34.8	22.9	11.9	11.6

<sup>1</sup> Includes cash income from marketings, Government payments, value of home consumption, and rental value of dwelling.

<sup>2</sup> Includes adjustment for inventory changes.

*Index of prices received, prices paid, and parity ratio, all farm commodities*

[In percent]

Year	Prices received	Prices paid	Parity ratio
1950.....	258	256	101
1951.....	302	282	107
1952.....	288	287	100
1953.....	268	279	92
1954.....	249	281	89
1955.....	236	281	84
1956.....	235	285	82
1957.....	242	296	82

*Per capita income of farm people, 1934-57*

Year	From agriculture			From all sources	
	Excluding Government payments	Government payments	Total	Amount	Percent of non-farm population per capita income
1934.....	\$94	\$12	\$106	\$59	35.3
1935.....	167	15	182	62	47.2
1936.....	148	8	156	72	38.5
1937.....	207	9	216	80	46.1
1938.....	153	12	165	74	40.6
1939.....	147	21	168	81	39.8
1940.....	153	21	174	88	38.2
1941.....	230	16	246	103	42.4
1942.....	360	19	379	130	49.2

*Per capita income of farm people, 1934-57—Continued*

Year	From agriculture			From non-farm sources	From all sources	
	Excluding Government payments	Government payments	Total		Amount	Percent of non-farm population per capita income
1943.....	\$476	\$21	\$497	\$157	\$654	32.7
1944.....	497	27	524	172	696	32.4
1945.....	528	26	554	166	720	34.9
1946.....	605	26	631	162	793	31.0
1947.....	631	10	641	181	822	29.0
1948.....	752	9	761	197	958	26.8
1949.....	558	6	564	201	765	21.0
1950.....	607	10	617	211	828	22.6
1951.....	735	10	745	232	977	25.0
1952.....	692	10	702	251	953	22.0
1953.....	657	8	665	265	930	20.6
1954.....	650	10	660	265	925	20.7
1955.....	605	9	614	284	898	19.6
1956.....	579	22	601	301	902	18.7
1957 <sup>1</sup> .....	641	43	684	309	993	18.4

<sup>1</sup> Preliminary.

Mr. HUMPHREY. Very quickly stated, what do those figures show? They reveal that instead of farm income in 1957 being \$993, to which Mr. Benson referred this morning in his press conference, it was \$641. Yes, \$641 was the farm income from farm activities by farmers on farms. That is substantially lower than the \$735 of 1951. It is lower than the \$657 of 1953. And it is lower than the \$650 of 1954.

I say to the Secretary that his figures are misleading. Furthermore, he has succeeded in having 1.8 million people leave the farms in 1 year.

Mr. KERR. Mr. President, will the Senator yield?

Mr. HUMPHREY. So when the Secretary of Agriculture talks about the per capita income, what he means is that there are fewer people on the farms to divide up a smaller amount of income.

I have previously asked unanimous consent to have the complete tables printed in the RECORD, and I shall not read them, except to point out that in the same tables it is shown that the Federal Government's contribution in the form of payments last year was \$43, as compared to \$10 in 1952, \$10 in 1951, and \$8 in 1953. Yet, with a \$43 per capita payment from the Government the farmer received less money in net income, while surpluses went up and farm indebtedness went up, and at the same time the number of farmers went down, the number of farm homes became fewer, and American agriculture became involved in an ever-increasing economic mess.

Is it any wonder that some of us are appealing, in righteous indignation—

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. HUMPHREY. Is it any wonder that some of us are appealing for a halt to this planned recession for agriculture?

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. HUMPHREY. I cannot yield at the moment, I will say to my good friend from South Carolina, who is one of the farmers' true friends.

Mr. President, time after time the Secretary of Agriculture has given to the American people propaganda handouts, and I charge that these handouts are deliberately misleading. He's done it again today, in attempting to influence our votes. He has made many claims about what this measure would do, but he cannot substantiate one of them—not one. The answer to Secretary Benson is to pass the resolution.

I read in the New York Times the other day that no one had ever challenged the Secretary of Agriculture to a debate. How can anyone make such a statement? I will rent a hall, and let him bring in his audience. In fact, I may say that we challenged the Secretary in Minnesota in 1954. In 1956, the radio networks asked him if he would debate, but he would not. He will not debate because the facts are not on his side. He refuses to accept the debate challenge of Senator PROXMIRE. Now, what are some of the sorry facts? I shall give the story from the Secretary's own records.

The realized net farm income of farm operators has dropped from \$14.3 billion in 1952 to \$11.6 billion in 1957. During the preceding 5 years the accumulated loss in net farm income was \$14 billion. That is a \$14 billion loss in net farm income.

The annual rate of expenditures from the Treasury for Agriculture went up in 1957 to \$5 billion, as compared with \$1 billion for agriculture in 1952. Yet there have been less beneficial results for farmers from this added cost to taxpayers.

Farmers have been driven off the land at the rate of 100,000 farm families a year. So today there are 500,000 fewer farm families in American agriculture than there were 5 years ago.

Let us take a look at another point which was made by Secretary Benson today. I hold in my hands a clipping headed "Benson Asks Consumers To Back Program."

This release alleges that if the joint resolution is passed, as Mr. Benson stated this morning in his own press conference, the price of food to consumers will be raised.

Let us take a look at that statement. Here is another clipping, dated March 7, headed "Benson Warns of Price Rise." Let us see what is going to happen. Take a look at the dairy industry. While the support price went down 13.1 percent since 1954, consumer prices went up 9.3 percent on dairy products. As the support price went down, consumer prices went up.

I have other statistical facts. Prices received by the farmers have gone down 20 percent since 1951. With prices going down 20 percent, retail food prices have gone up. Mr. Benson cannot show that if the price of oats is increased by 30 percent, it would increase the price of oatmeal by one-half of one percent.

Mr. Benson cannot show that by reducing the prices of dairy products to 75 percent of parity, the consumer who buys a bottle of milk would be saved ½ of a cent.



Mr. Benson cannot show that reducing the price of wheat by 22 cents a bushel would reduce the price of bread  $\frac{1}{4}$  of 1 cent.

Those are flat statements. I charge the Secretary of Agriculture with misleading the American public when he says this joint resolution would increase the cost to consumers. It would not.

The greatest increase in the cost to consumers has resulted from his own mismanagement, increasing costs to taxpayers for his ineffective program—the program he asked for and has been unable to make work. Now the Secretary wants a program which would lead to even more disastrous results.

I am not arguing for the joint resolution because it is the answer to all the problems. I am arguing for the joint resolution because it would be at least an urgently needed stopgap. It would give Congress the time it needs to draft long-range legislation—to reconstruct a sound agricultural policy.

Let me answer my good friend from Florida [Mr. HOLLAND]. He stated that the joint resolution may be permanent. The joint resolution has no guarantee of permanency, but it would prevent the Secretary of Agriculture from reducing dairy income. It would prevent the Secretary of Agriculture from putting the skids under the wheat farmer. It would prevent the Secretary of Agriculture from aiding and abetting the recession.

The President of the United States states that he is launching an antirecession program, while his own Secretary of Agriculture proposes a program which would aid and abet the recession.

I have heard further statements—

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. The Senator does not mean to dispute my statement that unless and until the Congress acts further by general legislation this joint resolution, if enacted, would be permanent legislation, does he?

Mr. HUMPHREY. Certainly not.

Mr. HOLLAND. I thank the Senator.

Mr. HUMPHREY. I am of the opinion that any piece of legislation on the books is permanent legislation unless Congress does something to change it, or unless the legislation itself provides for a terminal date. In this instance, action by the Congress would be required. The Congress will act. It will act in the case of wool. It will act in the case of sugar. I hope it will act in the case of cotton. It will act with respect to the total farm program. But in the meantime, we are not going to allow the Secretary of Agriculture to pull the plug out of the tank of agricultural income and permit the tank to run dry, while the Congress is engaged in efforts to amend and improve the basic law farmers need to be protected from the administration's price squeeze now.

Mr. HOLLAND. Mr. President, will the Senator yield for one further question relating to the subject about which I asked him in the beginning?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. The Senator does not contend, does he, that there was

any hearing on this particular joint resolution, or that there is any printed record relating to this joint resolution, or hearing on the questions involved in the joint resolution?

Mr. HUMPHREY. The Senator from Minnesota does so contend. In fact, when the junior Senator from Minnesota first brought up the joint resolution, the chairman and the other members of the committee asked that the joint resolution be put over until the hearings were completed.

It was stated that during the hearings we would have an opportunity to discuss certain parts of the joint resolution, which we did. We completed hearings with respect to every commodity, with many groups, represented before the Committee on Agriculture and Forestry. They asked for emergency action at once—and they supported this very resolution. That is a matter of record.

Now, what would the joint resolution do in terms of the prices which farmers will receive for their commodities? I

have before me a table showing the prices which the joint resolution would place on the books, as compared with those which would be on economic books if Secretary Benson's prices were to go into effect.

With respect to wheat, under the Benson plan the price would be \$1.78; under the congressional plan, \$2.

With respect to corn, peanuts, rice, and tobacco, there is no announcement yet as to Benson's prices. Prices would be maintained as they are if we pass this bill.

With respect to butterfat, the Benson price is 0.549 cent; the price under the congressional plan would be 0.586 cent.

The Benson price for manufacturing milk is \$3; the congressional price would be \$3.25.

And so forth. I ask unanimous consent that this table be printed in the RECORD at this point, as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

#### OPERATING FARM INCOME PROTECTION PROGRAMS

##### Summary—Support price of farm commodities

[Established by Secretary of Agriculture under applicable laws]

Commodity	1952	1955	1956	1957	1958	
					Benson <sup>1</sup>	Congress <sup>2</sup>
Index of farm costs.....	287	281	286	292	-----	-----
Wheat.....	\$2.20	\$2.08	\$2.00	\$2.00	\$1.78	\$2.00
Corn.....	1.60	1.58	1.50	1.40	( <sup>3</sup> )	1.40
Cotton <sup>4</sup> .....	.31	.32	.29	.29	( <sup>3</sup> )	.29
Peanuts.....	.12	.12	.11	.11	( <sup>3</sup> )	.11
Rice.....	5.04	4.66	4.57	4.72	( <sup>3</sup> )	4.72
Tobacco (11-14).....	.506	.483	.49	.51	( <sup>3</sup> )	( <sup>3</sup> )
Butterfat.....	.692	.562	.586	.586	.549	.586
Milk, manufacturing.....	3.85	3.15	3.25	3.25	3.00	3.25
Wool.....	.542	.62	.62	.62	.62	.62
Barley.....	1.22	.94	1.02	.95	.93	.95
Oats.....	.78	.61	.65	.61	.61	.61
Rye.....	1.42	1.18	1.27	1.18	1.10	1.18
Sorghum, grain.....	2.38	1.78	1.97	1.86	1.83	1.86
Flaxseed.....	3.77	2.91	3.09	2.92	2.78	2.92
Soybeans.....	2.56	2.04	2.15	2.09	2.09	2.09
Beans, dry edible.....	7.87	6.36	6.31	6.31	6.18	6.31
Cottonseed.....	66.70	46.34	48.60	46.20	41.00	46.20

<sup>1</sup> Announced by Secretary of Agriculture.

<sup>2</sup> In bills approved by congressional committees.

<sup>3</sup> Seven-eighths inch official grade for support purposes. Support prices of average grade are about 2 cents per pound higher than figures shown.

<sup>4</sup> Corn produced in compliance with acreage allotments. Noncompliance corn was supported at \$1.25 in 1956 and \$1.10 in 1957.

Mr. HUMPHREY. I also ask unanimous consent that the consumer statement which I have made, relating to agricultural prices as they affect consumer prices, be printed in the RECORD at this point, as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

#### CONSUMER'S STAKE

If as much space were given in the city press and national periodicals about how American farmers are protecting consumers as is devoted to attacks on supposed subsidies to farmers, there would be far less misunderstanding about the need for a strong agriculture. If farm commodity prices had gone up at the same rate as other cost-of-living items since the Korean War, food and clothing would now be about 15 percent higher. Food and clothing during the 1951-57 period would have cost consumers many billions more than they actually paid. For consumers and taxpayers—other than farmers—this has been a fabulous bargain.

#### CITY FOLKS BENEFIT

Farmers, in effect, have been, and still are, subsidizing consumers of America. They are taking the losses, so consumers can have a bargain. Food absorbs a smaller proportion of the consumer's spendable dollar than anywhere else in the world. Eight minutes of labor will buy a quart of milk. In France it requires 16 minutes, and in Russia 42 minutes. In view of these facts, it appears rather ungrateful for city residents and consumers to object to efforts toward seeking some economic justice for the producers making such food bargains possible—and rather unwise, in their own interest, for them to oppose policies encouraging abundance that assure reasonable prices. What consumers don't seem to realize is that if agricultural supply was in complete balance with demand, and the normal supply and demand price relationship so many city people advocate was in effect, prices to consumers would be at least a third higher—according to testimony of Department of Agriculture officials. The real issue involved in the farm policy dispute is whether we turn to policies of deliberately encouraged



scarcity to force prices up, or whether we rely on income protection devices for the producer in order to assure abundance at reasonable prices to the consumer, in the public's interest.

#### NEED THE FACTS

Of course, it isn't the consumers who are to blame for so much misunderstanding. They are not getting the real story. Probably most food consumers are not greatly interested in farm troubles, but the vast majority of them are fair-minded individuals when they know the facts. What they have been getting are half-truths and distortions. Here are some of the facts:

Food is the biggest bargain in America today.

Prices received by farmers have gone down 20 percent since 1951.

Farmers' operating costs have gone up 15 percent since 1951.

Weekly factory wage rates have gone up 23 percent since 1951—and income from interest rates has gone up 64 percent and dividends from industry have gone up 37 percent.

Per capita farm income is about half the urban rate—even with reasonable allowances for farm produced and consumed items to make figures really meaningful. And this is in spite of the far heavier investment required in farming than in the average urban resident's means of making a livelihood.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. ELLENDER. I desire to make a slight correction. With respect to cotton, under Benson the price support would be 30¾ cents, and under the congressional plan it could not be less than 28.8 cents.

Mr. HUMPHREY. I thank the Senator.

Mr. President, I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a table showing per person incomes, farm and nonfarm, compared.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

#### DO FARM FAMILIES GET PARITY INCOME

*Per person incomes—Farms and nonfarm compared*

	1951	1957	Percent change
Income per person of people on farms:			
From farming.....	\$745	\$684	-8
From all sources (current dollars).....	977	993	+2
From all sources (1957 dollars).....	1,045	993	-5
Income per person of people not on farm.....	1,745	2,045	+17
Farm family income, percent of parity income.....	56	49	-----

Source: Farm Income Situation, published by Agricultural Marketing Service, U. S. Department of Agriculture.

#### Farmers' share of national income and population

	1947-49 per cent	1951 per cent	1957 per cent
Of national population farm people were.....	18.0	15.7	11.9
Of national income they received.....	11.2	9.4	6.2

NOTE.—Income figures for farm people include income from off-farm sources as well as income from farming.

Source: Agricultural Marketing Service, Farm Income Situation.

Mr. HUMPHREY. Mr. President, I also ask to have printed in the RECORD at this point as a part of my remarks a table showing how farmers are doing compared with others, showing interest, dividends, corporation profits, wages of workers, weekly earnings of manufactur-

ing workers, and so forth. Surely, a casual study of these facts is compelling evidence for the need of action now.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

*How farmers are doing, compared with others—Farmers worse off, everybody else better off, particularly corporations and stockowners*

	Annual average 1947-49	1957	Percent change
Interest.....billion dollars..	9.0	18.8	+109
Dividends.....do.....	7.1	12.1	+70
Corporation profits:			
Before taxes.....do.....	29.5	41.0	+39
After taxes.....do.....	18.1	20.0	+11
Rental income.....do.....	7.2	10.4	+45
Business and professional proprietors.....do.....	20.8	28.7	+40
Weekly earnings of manufacturing workers.....dollars..	53	82	+55
Per person income, nonfarm people.....do.....	1,473	2,045	+39
Per person income, farm people.....do.....	848	993	+17
Farm income parity ratio.....percent..	58	45	-----
Farmers total net income:			
National.....billion dollars..	15.4	-----	-25
Per family.....current dollars..	2,654	2,490	-6
Number of farms.....millions..	5.8	4.9	-16

<sup>1</sup> From nonfarm and farm sources.

Source: Economic Indicators (Council of Economic Advisers) and Farm Income Situation published by Agricultural Marketing Service, U. S. Department of Agriculture.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. Mr. President, will the Senator from Louisiana yield me 2 minutes more?

Mr. ELLENDER. I yield 2 minutes additional to the Senator from Minnesota.

Mr. HUMPHREY. I ask unanimous consent to have printed in the RECORD

at this point as a part of my remarks a table showing the decrease in real income per farm in the past 6 years. The table shows that it is down by 25 percent—here we see the beginning of the recession.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

#### Per farm real income down ¼ in past 6 years

	1951	1957	Percent change
Farm operators' gross income:			
Including inventory change.....billion dollars..	38.4	35.0	Down 9 percent.
Excluding inventory change.....do.....	37.1	34.4	Down 7 percent.
Farm production expenses.....do.....	22.3	22.9	Up 3 percent.
Farm operators' net income:			
Including inventory change:			
United States total.....do.....	16.1	12.1	Down 25 percent.
Per farm.....dollars..	2,911	2,490	Down 14 percent.
Excluding inventory change:			
United States total.....billion dollars..	14.8	11.5	Down 22 percent.
Per farm.....dollars..	2,691	2,348	Down 13 percent.
Number of farms.....million..	5.5	4.9	Down 11 percent.
Net income per farm at 1957 prices.....dollars..	3,115	2,490	Down 20 percent.
Prices paid by farm family for living items (index).....do.....	268	286	Up 7 percent.

Source: Economic Indicators, February 1958. Published by Council of Economic Advisers to the President of the United States.

Mr. HUMPHREY. I also ask to have printed in the RECORD at this point as a part of my remarks a table showing that 1957 farm income was less than half of the parity-income goal—a goal promised by President Eisenhower.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

#### 1957 farm income less than half of parity income goal

	Parity farm income 1957 <sup>1</sup>	Actual farm income 1957 <sup>2</sup>
Farm operators' net income:		
Including inventory change:		
United States total.....billion dollars..	26.2	12.1
Per farm.....dollars..	5,347	2,490
Excluding inventory change:		
United States total.....billion dollars..	26.2	11.5
Per farm.....dollars..	5,347	2,348

#### 1957 farm income less than half of parity income goal—Continued

	Parity farm income 1957 <sup>1</sup>	Actual farm income 1957 <sup>2</sup>
Farm production expenses.....billion dollars..	25.4	22.9
Farm operators' gross income:		
Including inventory change.....billion dollars..	51.6	35.0
Excluding inventory change.....do.....	51.6	34.4

<sup>1</sup> Calculation based on definition in National Farmers Union program and Agricultural Adjustment Act of 1938, as amended. (See Legislative Analysis Memorandum No. 66-18).

<sup>2</sup> Data from Economic Indicators, February 1958, published by Council of Economic Advisers.

Mr. HUMPHREY. The most revealing tables of all are the index of prices paid by farmers, and the table showing average prices received by farmers for



farm products. I ask unanimous consent to have those two tables printed in the RECORD at this point as a part of my remarks.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

*Index of prices paid by farmers (1910-14=100)*

Item	Average 1947-49	Jan. 15, 1958 <sup>1</sup>	Change
Interest paid per acre.....	79	175	Up 122 percent.
Taxes paid per acre.....	270	464	Up 72 percent.
Cash wage rates.....	430	567	Up 32 percent.
Motor supplies.....	140	172	Up 23 percent.
Motor vehicles.....	290	421	Up 45 percent.
Farm machinery.....	239	358	Up 50 percent.
Farm supplies.....	235	292	Up 24 percent.
Building and fencing.....	296	391	Up 32 percent.
Fertilizer.....	143	152	Up 6 percent.
Average, above 6 items.....	221	290	Up 35 percent.
Household operation.....	178	209	Up 17 percent.
Household furnishings.....	256	279	Up 9 percent.
Building materials, house.....	339	409	Up 21 percent.
Autos and auto supplies.....	233	325	Up 39 percent.
Average, above 4 items.....	231	257	Up 24 percent.
Food.....	239	278	Up 16 percent.
Clothing.....	285	326	Up 14 percent.
Average, above 2 items.....	255	294	Up 15 percent.
Feed.....	231	193	Down 16 percent.
Feeder livestock.....	348	356	Down 2 percent.
Seed.....	242	209	Down 14 percent.
Average, above 3 items.....	269	245	Down 9 percent.
Prices paid for all family living items (average).....	244	289	Up 18 percent.
Prices paid for all production items (average).....	237	264	Up 11 percent.
Prices paid, commodities and services, interest, taxes, and wage rates.....	250	301	Up 20 percent.

<sup>1</sup> Or last available data.

Source: Agricultural Prices, Jan. 31, 1958, Agricultural Marketing Service, USDA.

*Average prices received by farmers for farm products—United States, Jan. 15, 1958, and average 1951 compared with income parity equivalent prices*

Commodity	1957 Income parity price equiva- lent <sup>1</sup>	Actual prices		
		Average 1951	Jan. 15 1958	Change
Wheat.....	\$2.99	\$2.11	1.90	Down 10 percent.
Rye.....	2.10	1.52	.937	Down 38 percent.
Rice (rough).....	7.42	4.82	5.01	Up 3 percent.
Corn.....	2.18	1.66	.931	Down 44 percent.
Oats.....	1.14	.820	.613	Down 25 percent.
Barley.....	1.75	1.25	.855	Down 32 percent.
Sorghum grain.....	3.35	2.32	1.63	Down 30 percent.
Hay, all baled.....	32.34	25.60	19.00	Down 26 percent.
Cotton, American upland.....	.480	.377	.274	Down 27 percent.
Tobacco, types 11-37.....	.732	.420	.429	Up 2 percent.
Cottonseed.....	93.53	69.30	51.30	Down 26 percent.
Soybeans.....	3.92	2.73	2.05	Down 25 percent.
Peanuts.....	.158	.104	.0979	Down 6 percent.
Flaxseed.....	5.87	3.72	2.95	Down 21 percent.
Potatoes.....	3.18	1.63	1.76	Up 8 percent.
Sweetpotatoes.....	6.82	3.03	5.16	Up 70 percent.
Beans, dry edible.....	12.11	7.91	7.03	Down 11 percent.
Hogs.....	28.40	20.00	18.50	Down 7 percent.
Beef cattle.....	29.15	28.70	19.70	Down 31 percent.
Calves.....	32.05	32.00	22.20	Do.
Lambs.....	32.34	31.00	21.60	Down 30 percent.
All chickens, live.....	.371	.271	.190	Do.
Turkeys, live.....	.484	.374	.226	Down 40 percent.
Adjusted for seasonal variation:				
All milk, wholesale.....	6.28	4.58	4.13	Down 10 percent.
Eggs.....	.621	.478	.405	Down 15 percent.

<sup>1</sup> Calculated by proposed income parity formula based on definitions of parity farm income in Agricultural Adjustment Act of 1938, as amended, and National Farmers Union 1956-57 Official Program. (Data as of January 1957.)

Source: Agricultural Prices (Jan. 31, 1958), Agricultural Marketing Service, USDA.

Mr. HUMPHREY. When Senators read those tables, they will plainly see what has been happening to agriculture and it is not good.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. Will the Senator from Minnesota tell the Senate what, in reality, the President and Mr. Benson have recommended as the parity price for the coming year?

Mr. HUMPHREY. On what commodity?

Mr. MANSFIELD. On all the basic commodities. What is the average?

Mr. HUMPHREY. The administration wants flexibility between 60 and 90.

The new administration proposal is for flexibility down to 60, instead of only to 75 percent. As the Senator from Vermont pointed out, however, this joint resolution would not change the 1957 price-support program. The present program would not be changed by the joint resolution. It would just maintain last year's prices, as a holding action—a price floor—until such time as the Congress legislates otherwise.

The best I can say for the joint resolution is that it is a part of the overall effort of Congress to hold the line. It is an effort by Congress to check the recession. It represents a determination by Congress to prevent any further downward flexing of the agricultural

price structure. A vote for the resolution, Senate Joint Resolution 162, is a vote for agriculture and a vote against Benson's policies.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield 1 minute to the Senator from Montana.

Mr. MANSFIELD. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. I wish to take this occasion to commend the distinguished junior Senator from Minnesota for the economic statesmanship he has shown in this field. Because of him, we have a chance to consider all the basics at the same time. In this way Mr. Benson will not be able to resort to his usual policy of divide and conquer; because we will all be in the same boat, and we will all be facing the same problem. I hope that under the leadership of the distinguished junior Senator from Minnesota we will be successful in this action, even though Mr. Benson, in his press conference of this morning, made the statement that what the Senate proposes to do now in 2 joint resolutions is even worse than the bill which was passed 2 years ago, under the leadership of the Senator from Minnesota, and which was vetoed by the President of the United States.

I ask unanimous consent to have printed in the RECORD at this point a news story published in the Daily Ranger, of Glendive, Mont., of March 6, 1958.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Glendive (Mont.) Daily Ranger of March 6, 1958]

SENATOR HUMPHREY LASHES ADMINISTRATION AGRICULTURAL PLAN

(By Senator HUBERT H. HUMPHREY, United States Senator from Minnesota)

WASHINGTON.—Clearly our Nation needs a new and different farm policy and needs it now.

What should be its broad outlines?

First. A comprehensive farm program covering all major commodities with the recognition of the interdependence of agricultural production. It is a well established principle of agricultural economics that low feed prices produce low hog and beef prices. Furthermore, the price of perishable commodities is directly related to those known as storable, like grain.

Second. Agricultural policy must be based upon these accepted and known relationships. It is imperative that the Nation have adequate food and fiber reserves. The level of these reserves must be related directly to the growth in population and the tremendous commitment of our Nation in the field of foreign policy and national security. This has not been done.

National security requires effective and constructive use of food and fiber. Our foreign economic policy must include within it long-range commitments of food and fiber supplies to our allies and the uncommitted and underdeveloped nations. Food can be force for peace and freedom. There must be additional emphasis upon conservation, both short and long term. The conservation-reserve program needs to be doubled. Broad and effective conservation measures must be integrated with overall natural resource development and management programs.

A sound farm policy should be based upon a rising net income for agriculture—parity income. The Secretary of Agriculture should



be authorized to utilize several means of attaining parity income and protecting decent and fair farm-price levels. What is needed is flexibility of method in a farm program, plus determination on the part of the Secretary of Agriculture to utilize every legitimate means at his command to insure orderly marketing and a stable price structure.

Add to this farm credit facilities adequate for the cost of maintaining farm operation and you have the broad outline of a constructive farm policy that can work both for the benefit of the farmer and the Nation.

The Eisenhower-Benson farm policy has failed. This failure is due not only to weakness in the law but also faulty and ineffective administration. The efforts of Congress to strengthen the agricultural policy were overridden by a Presidential veto. The attempts of friends of agriculture to improve the administration of agricultural policy have been resisted and rebuked by the Secretary of Agriculture. The results speak for themselves.

#### HERE IS THE SORRY RECORD

Realized net income of farm operators dropped from \$14,300,000,000 in 1952 to \$11,500,000,000 in 1957. During the 5 years Secretary Benson has been in office, the accumulated loss in net farm income has been over \$14 billion. The annual rate of expenditures from the Federal Treasury as shown by the budget request sent to Congress this spring totals over \$5 billion as compared with slightly over \$1 billion in 1952.

Benson's policies have proved farm families off the farm at a rate of 100,000 per year. There are 500,000 fewer farm families on the farms today than when he took office. The family farm income from all sources, non-farm as well as farm, measured in 1957 dollars has dropped by over \$500 per year—from \$3,000 in 1952 to \$2,500 in 1957. Farm mortgage indebtedness is up approximately \$4 billion. Farm surpluses are still huge. Farm prices are still low. And farm income is at recession levels.

#### THERE IS THE RECORD

The administration farm policy was outlined in a speech early in February 1953, in St. Paul, Minn. Secretary Benson asked for a reduction of price supports to a point just above undue disaster. Doing this, he said, would lead to lower consumer food prices, reduce Federal expenditures for agriculture, and ultimately improve farm income. He claimed further that it would strengthen the family farm unit and get the Government out of agriculture.

The Secretary has at least kept his word on one of these promises—at every opportunity he has recommended lower price supports. He and the President are now asking Congress for authority to drop the price support levels to only 60 percent of parity. Secretary Benson has insisted that reducing price supports would reduce production, despite statistical evidence to the contrary. With lowering of price supports, production has gone up. Surpluses have mounted despite tremendous disposal programs through foreign aid, relief, and overseas sales.

Secretary Benson promised that reducing price supports would reduce storage costs and the farm program costs—instead the annual storage cost paid by the Government has been the highest in history under his administration, both per unit and in total. The rate of expenditures for this is at an all time high—almost five times greater than that of 1952.

Grocery store food prices are higher now than they were before the Eisenhower-Benson theory was put into effect, mothers pay more for the milk they buy for their children. A loaf of bread costs more than at any time in the past 100 years. With farm prices down by almost 20 percent, retail food prices

in 1958 are at the highest index ever recorded.

Yes, the administration farm program has not only failed the farmers, but it has failed the public, and socked the taxpayers. As consumers, the public is paying higher prices for food at the grocery store. As taxpayer the public is paying out at a rate of \$5,000,000,000 a year for a program that does not work. As a Nation we are threatened by a growing farm led and farm fed depression.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a letter which I received from the Farmers Union Grain Terminal Association, signed by Mr. M. W. Thatcher, general manager, and a summary of the GTA family farm survey for 1955-56.

The survey shows that the greatest untapped market in the world is in American agriculture, if American agriculture is given the opportunity to purchase. What we are seeking is a market. I say to my good friend that with all our efforts for public works, with all our efforts for tax reduction, with all our efforts to stimulate the economy, if we permit agriculture to go down further, we will experience a recession and depression which will really curl our hair, and George Humphrey's too.

There being no objection, the letter and summary were ordered to be printed in the RECORD, as follows:

#### FARMERS UNION GRAIN

#### TERMINAL ASSOCIATION,

St. Paul, Minn., January 29, 1958.

The Honorable HUBERT H. HUMPHREY,  
Senate Office Building,  
Washington, D. C.

DEAR SENATOR HUMPHREY: You will be interested in this short summary of our latest family farm survey. This study of over 4,000 farm records shows an even greater market for manufactured goods than we found 2 years ago. This market for nearly \$6,000 spending per farm could go far to restore business and jobs in our cities.

Our survey finds more and more farmers being pushed off their farms to look for city jobs, or holding part-time jobs while still farming. They will add to the unemployment now growing in industrial states.

Again we find real farm income getting lower on these better-than-average commercial family farms. Returns to farmers are far short of those to other businesses, professions or trades. After a small return on investment, you will see there is left only 25 cents per hour for the labor of the farmer and his family, and nothing for his skilled management.

The figures from wheat farms show that the 22-cents-per-bushel (11 percent) cut now scheduled for the 1958 crop will mean about a 25 percent cut in net income. The 25 cents per hundredweight (8 percent) cut on milk will mean a similar cut in net income of Midwest dairy farmers.

You Senators and Congressmen from farm States must unite to stop these two cuts and any others this coming season. Nothing is more likely, in my judgment, to make this recession worse than to lower farm prices farther. A return of prosperity in farm States will take more than holding the price line, but that is the first necessary step.

Please feel free to call on us for help to halt these dangerous and needless cuts in wheat and dairy prices now ordered. Only you leaders in Congress can win farmers a reprieve from further price cutting.

Sincerely,

M. W. THATCHER,  
General Manager.

#### A SUMMARY OF THE GTA FAMILY FARM SURVEY FOR 1955-56

(A continuing study of family farms in Minnesota, Montana, North Dakota, South Dakota, and Wisconsin, covering 1950 through 1956, as authorized by the stockholders of Farmers Union Grain Terminal Association)

#### INTRODUCTION

This resurvey of some 4,079 family farms is based on the income-tax records of each farm, plus other information gained by on-the-farm interviews during 1957. The income-tax records for 1955 and 1956 were audited and added to those for 1950-54. These 2 recent years have seen increased emphasis upon accurate tax records due to the beginning of social-security payments based upon these returns. As in the first GTA family farm survey, virtually complete cooperation was forthcoming from all of these thousands of families. We present some of the findings in the hope that this unique information about average commercial family farms in some of our best farming areas may help the Congress decide wise national policies.

#### What the survey shows

#### 1. Summary of Farm Operations for 1956, Compared With 1954

The essential figures show that despite claims to the contrary, the lowering of farm prices between 1954 and 1956 did not improve real net income. This was in spite of a gain of some 4 percent both in acreage and investment on the farms, and with improved yields and production. Net income did go up some \$80 due to an increase in Government payments of \$125. But, this small increase was more than offset by the rise in cost of living between the two surveys. That rise was nearly 4 percent, about \$107. Real income, consequently, dropped \$27, or about 1 percent. No account has been taken in this of the \$1,848 increase in investment required to farm.

#### Average per farm receipts and expenses, with changes

	1954	1956	Change
Cash marketings.....	\$8,010	\$8,386	\$376
Government payments.....	66	191	125
Cash receipts.....	8,076	8,577	501
Cash expense.....	4,559	4,801	242
Depreciation.....	1,310	1,463	153
	5,869	6,264	395
Receipts less expense...	2,207	2,313	106
Allow for food.....	324	323	-1
Allow for home.....	400	375	-25
Total home and food...	724	698	-26
Net income before taxes...	2,931	3,011	80

Offset by cost-of-living increase of about..... \$107  
Net change in real income from farming..... -\$27  
Percent change..... -1

Details of cash receipts and expenses are shown in table 1 of the appendix. From this can be seen how these farms have attempted to cope with lower prices by producing more, and how various expenses have risen. The allowance for a net rental value of the farm home equal to 8 percent of the insurable value of the home is an addition to gross income not made in our original survey. The allowance for food is based on the prices farmers would get for home-used food if they sold it. This follows the usual practice in valuing such food, although the cost to city consumers of such food in the form they would buy it would be considerably higher. Other costs in farm living not figured in this survey offset this food benefit and then some, such as higher costs for all manufactured



goods and for such important services as health and education.

2. Analysis of Returns to Labor, Management, and Capital Used on Farm

Allowing only a 5 percent return (before taxes) on capital, and nothing for management, returns for the work of the farmer and his family were only 25 cents per hour, as shown below.

If these farmers and their families got the average factory wages paid in their State, their net income would have been \$6,303, more than double what it actually was. Stated another way, actual income was short \$3,293 of paying a factory wage. This is equal to an 8 percent loss on investment for the year.

If nothing is allowed for investment, then the return for labor amounts to 91 cents per hour. This is less than half the \$1.91 average factory wage for the area, a full dollar short. It is also below the Federal minimum wage of \$1. Thus, in addition to getting substandard wages, farmers are contributing over \$43,000 in capital for nothing, bringing that to their job with no recompense.

If the labor of the whole family, except the farm operator, is unpaid, and the operator's labor is figured at the very conservative figure of only 2,000 hours as worked in city employment, then the farmer still would make only \$1.51 per hour. That is nearly one-fourth less than factory labor. That would mean unpaid family labor, unpaid management, unpaid capital, and still inequality.

Investment in average farm, hours worked, average factory wages, and imputed returns to farm labor, management, and capital

	1954	1956	Change
Number of farms.....	4,321	4,079	-5.6
Acres in farm.....	613	637	4.0
Insurable value of home.....	\$4,999	\$4,688	
Investment in plant:			
Land and buildings.....	\$27,285	\$26,538	
Equipment.....	7,857	10,473	
Livestock.....	4,805	4,521	
Crops.....	1,701	1,964	
Total.....	41,648	43,496	\$1,848
Estimated hours worked.....	3,300	3,300	
Average factory wage.....	\$1.72	\$1.91	
Net farm income (before taxes).....	\$2,931	\$3,011	

	1954	1956
A. Return to capital and labor:		
5 percent on investment.....	\$2,082.00	\$2,174.00
Net to labor.....	849.00	836.00
Net per hour.....	.26	.25
B. If factory wages were paid on labor:		
Wages for operator and family.....	5,676.00	6,303.00
Actual total net income.....	2,931.00	3,011.00
Deficit.....	2,745.00	3,292.00
Loss on investment.....		
-----percent.....	-7	-8
C. All returns to labor, nothing to capital and management:		
Return per hour for 3,300 hours.....	\$0.89	\$0.91
Return for 2,000 hours.....	\$1.47	\$1.51

3. Returns Required If Farmers to Get Parity With Labor, Business, and Management

It is of interest to calculate, if only roughly, the amount needed to give these farm families something like parity returns for their labor, management, and capital. If factory wages were earned, plus only 5 percent on investment, and nothing for

management of the farm, than as of 1956, it would have taken about 64 percent higher prices to bring such parity. Much business netted more than 5 percent after taxes, and farm-management services for an average commercial farm would run at least several hundred dollars. Neither factor is counted here.

Such higher prices would bring agriculture back about to where it was in the 1946-50 period, or the 1947-49 period used by the Government as a base for statistics in all fields other than agriculture. The official parity ratio was respectively 109 and 107 for these periods. Such prices also show the average of products raised in these 5 States in 1956 was between 65 and 70 percent of parity, instead of the national average of 81 percent for that year.

Such prices would give the average family, with a \$43,000 investment, a return of about \$7,000 cash before taxes, plus \$1,500 allowance for food and housing, a total of \$8,477. The \$3,011 actually received in 1956 was only 36 percent of this needed total. Thus, after nearly 10 years of declining farm income and rising city boom, farmers were far behind their city cousins for comparable investment and labor.

Increased prices needed for parity income			
	1954	1956	
5 percent return on investment (before taxes).....	\$2,082	\$2,174	
Labor at average factory wage.....	5,676	6,303	
Management.....	0	0	
Total needed for parity income.....	7,758	8,477	
Less actual net income.....	2,931	3,011	
Deficit in parity income.....	4,827	5,466	
Plus actual cash receipts.....	8,076	8,577	
Equals cash receipts needed for parity.....	12,903	14,043	
Ratio of actual to parity income.....	Percent 38	Percent 36	
Ratio of actual to parity cash receipts.....	63	61	
Approximate increase in prices required to get parity income.....	59	64	

4. Low Prices Are Forcing Commercial Farmers Into City Labor Markets

In the 2 years between early 1955 and early 1957, during which these two surveys were made, over 5 percent of these commercial farms which had been supporting families had been liquidated. In some cases this was due to death with no heirs to take over the farm, but in most cases the families were forced off by declining income. The actual figure was 1 farm out of 18 missing in this short 2-year period.

In addition to this expanded labor supply headed for the cities, many farmers, their wives, or older children began to work at off-farm jobs, part time or even year round, in the effort to save their farm homes. In early 1957, our surveyors found this an increasing practice, but in 1956, the actual wages earned amounted to an average of only some \$200 for operators and \$100 for wives, a total of less than \$300 per family. We cite this to show that contrary to national estimates, which include many part-time farms and subsistence farmers, commercial farmers in this area were not yet able to get much help from off-farm work. Such work as was being done was concentrated nearest to the larger cities and was being done mostly by younger farmers and their wives who have the most difficulty with present conditions. Most of these off-farm workers were GI's who deserve better from their country in their effort to make a home on the farm.

Where farmers have abandoned farming to move into city jobs, they will have the least seniority and often little resources in case of unemployment and business recession.

This will tend to force them back onto farms, perhaps into farm homes of relatives, adding further troubles to our farm families. Nothing is less needed by our national economy just now than another several hundred thousand farm workers dispossessed from the land. Nothing should be more vigorously opposed by city people, themselves having unemployment and relief to attempt to handle.

5. Indications That Farm Depression Is Feeding City Recession

National farm-income figures dropped lower in 1956 and again in 1957 in terms of their buying power, approaching the low figure of 1940, which was a bad depression year for the whole American economy. The gain in size, investment, inputs and outputs of the family farms in our survey covers up somewhat this drop in total buying power, but some figures do show up, which indicate the important part which lower farm income is playing in the growing national recession.

Because of the great shortage in real income needed to give farmers parity with city people, and thereby give real balance to the American economy, farm buildings, homes, and equipment have never reached parity. Much-needed spending has been postponed. Our survey repeated an earlier inventory of immediate farm needs. For production purposes, as of early 1957, here are the averages per farm, by each State, and for the 5-State area. Amounts have grown substantially in the 2 years since our earlier survey.

	Repairs and paint	New buildings	New equipment	Total
Wisconsin.....	\$1,282	\$2,383	\$2,016	\$5,681
Minnesota.....	907	2,561	1,910	5,378
South Dakota.....	968	1,565	1,447	3,980
North Dakota.....	1,259	2,847	2,932	7,038
Montana.....	947	2,237	2,161	5,345
Average, 4,079 farms.....	1,075	2,418	2,164	5,658

This total of around \$6,000 per farm does not include any spending needed to repair, modernize, or replace the farm home, or for home equipment. Even without any such spending, these totals would amount to a \$12 billion to \$15 billion potential market on the commercial family farms of the Nation, if this area is at all typical.

If farm homes were all modernized, or replaced if in poor condition, this farm market might easily be double. The insurable values for the farm homes in this survey indicate that many are in need of extensive modernizing, or of replacing, just as is true in most farm areas.

Thus, a great untapped market lies ready and waiting to restore American industry to usefulness, and American labor to production, if only balanced farm and city income can be restored.

This farm demand is particularly for durable goods, the products of our heavy manufacturing industries now so hard hit. Higher farm income would help at the most vital spot in the current national lack of balance between capacity and demand. This includes the farm-machinery industry now severely cut back, and the appliance industry, now cutting back. Some other facts once again indicate this great need for durable goods in our farm homes. Although these are better-than-average commercial farms, they have a lack of modern conveniences that is a national shame in this 6th decade of the 20th century. The percentage of homes in this survey without the following facilities is astounding, but the figures would be even higher if all farm homes in these States were included:



Percent of farms without named facilities

	Wisconsin	Minnesota	South Dakota	North Dakota	Montana
Cold running water.....	17	32	41	31	17
Hot running water.....	24	38	48	37	22
Inside toilet.....	30	46	52	42	28
Bath tub.....	31	49	53	43	29
Central heat.....	49	56	52	40	33
Deep freeze.....	44	45	45	40	19
1 telephone (any age).....	23	19	32	20	49
1 TV set.....	31	36	49	26	45

Note that large numbers of the homes with the highest number of children in the Nation are still without either hot or cold running water.

Note that parity in plumbing facilities is not something lacking just in foreign lands, but is right here in the heart of the richest farmlands in the world.

Note that central heat is lacking in the coldest States in this Union.

Note that those families which can use to best advantage a deepfreeze are not necessarily the citizens who have them.

Note that even one telephone is lacking in the home and business that needs it above all others, for convenience at least. Other figures would show how many of these phones in farm homes are still of the horse-and-buggy type, a disgrace in this day of electronic miracles.

Note that many farm homes do not have even one TV set, considered a necessity by most city families for a good many years now.

Note that none of these needed home facilities, which supposedly make up the American way of life and the vaunted American standard of living, and indeed have been so enjoyed by most city people for a long time—none of these needs are expressed in the dollar estimates of needed spending stated above. Those estimates apply only to farm production equipment, under which even a telephone was not included, although it might well have been.

Further information was gathered on the age and number of automobiles and trucks on our farms. This is of particular value now that that industry is running at only a little more than half capacity, a fact which threatens our whole economy. Farmers need automobiles and trucks in their business as well as for family living. Farm roads are the worst, and replacements would be high if farm income allowed farmers to do so.

Contrary to statements about farmers driving expensive new cars, our survey shows, as have others carried out in this area, that a considerable number of farms don't even have one car, and that the majority are older models of the so-called low-priced makes, with very few high-cost cars of any age.

Number, age, and price range of automobiles on farms

	[Percent]				
	Wisconsin	Minnesota	South Dakota	North Dakota	Montana
Number:					
None.....	8.9	9.0	5.4	3.2	4.8
1.....	89.7	88.4	89.9	93.9	88.3
2 or more.....	1.4	2.6	4.7	2.9	6.9
Model:					
1949 or older.....	28.9	22.9	23.9	19.2	8.2
1950 to 1955.....	64.4	67.7	67.9	65.9	68.7
1956 to 1957.....	6.7	9.4	8.2	14.9	23.1
Price range:					
Low.....	71.8	74.9	70.0	71.2	66.5
Medium.....	27.5	24.6	29.7	28.3	31.4
High.....	.7	.5	.3	.5	2.1

Note the large potential market here, indicated by the large percentage of farms either with no car or with models which a year ago were 8 years old and older.

These potential markets are actually to be found not just on the commercial farms of the great Midwest, but also in the farm towns and cities which are largely dependent upon farmers for their trade and business. These areas have not shared in the national boom of the last few years in the same proportion as have industrial cities. A revival of prosperity on our farms would stimulate even greater markets in the whole rural part of the Nation, which still makes up more than a third of our population. A continuing farm depression will surely bring about a further decline in business in these same rural areas.

#### 6. Prospects for 1958 and 1959

It is obvious that the efforts to help farm income by reducing farm prices have failed to this point. Further loss of income is now being suffered because of present weakening farm prices, especially for feed grains. This forecasts and insures a return to very low livestock prices before long. Reductions ordered in supports for dairy products and wheat will be only the forerunners of other cuts unless stopped now. Nothing is in sight which will raise farm prices or cut farming costs. Nothing will help farmers restore their purchasing to former levels.

An analysis of the figures from wheat farms in this survey shows that the 22 cents-per-bushel (11 percent) cut now scheduled for the 1958 crop, will mean about a 25 percent cut in net income. Similarly, the 25 cents-per-hundredweight (8 percent) cut on milk scheduled for this spring will bring a comparable cut in net income of Midwest dairy farmers. It is calculated that each of these two cuts will cost the respective groups of farmers \$250 million, a total of one-half billion dollars' loss in net income per year.

Further cuts in farm income will cause the farm depression to feed the national business recession, perhaps making it snowball into a depression that cannot be stopped short of terrible cost. The best way to start up our factories and call back the men is to see to it that there is no further cut in farm prices or income, and instead, that good commercial family farms be restored to parity.

#### Statement of purpose

The GTA Family Farm Survey has been carried on to get a true audit of conditions on commercial family farms before the Congress and the public generally. The grain farmers who own this sponsoring cooperative want to strengthen the system of family-owned and operated agriculture which has been a principal foundation of our democracy so far in our Nation's history. They are opposed to public or private policies which threaten the stability and welfare of family farming.

This report is issued in the hope that it will help make clear the facts about such farms as they are found in this great agricultural producing area, the breadbasket of the world.

Further surveys may be made, with the cooperation of participating farm families, as times demand. Thanks to the cooperative spirit of these fine families, there is now available to the public the actual receipts and expenses for typical commercial family farms in these five states. These figures for the 7 years 1950-56 are an authentic and unique grassroots record.

#### APPENDIX

TABLE I.—Average receipts and expenses per farm, 1954 and 1956

	1954	1956	Change
<b>FARM RECEIPTS</b>			
Grain sales.....	\$3,638	\$3,866	\$228
Dairy products.....	1,236	1,381	145
Livestock sales.....	1,969	1,877	-92
Beets and potatoes.....	87	127	40
Poultry and eggs.....	379	402	23
Profit on purchased livestock.....	238	204	-34
Miscellaneous.....	463	529	66
Marketings.....	8,010	8,386	376
Government payments.....	66	191	125
Total.....	8,076	8,577	501
<b>FARM EXPENSES</b>			
Labor hired.....	401	369	-32
Feed.....	622	687	65
Seed.....	263	275	12
Custom work and machine hire.....	201	206	5
Supplies.....	194	204	10
Repairs.....	460	491	31
Services and fees.....	72	83	11
Fertilizer and sprays.....	139	180	41
Gas, oil and grease.....	700	751	51
Storage and warehousing.....	44	44	0
Taxes.....	378	402	24
Insurance.....	190	196	6
Interest.....	174	202	28
Utilities (light, power, phone).....	140	157	17
Rent.....	116	119	3
Farm use of auto.....	182	196	14
Purchased livestock and poultry.....	38	29	-9
Miscellaneous.....	245	210	-35
Cash expenses.....	4,559	4,801	242
Depreciation.....	1,310	1,463	153
Total.....	5,869	6,264	395
Receipts less expenses.....	2,207	2,313	106
Plus food allowance.....	324	323	-1
Plus home allowance.....	400	375	-25
Total, home and food.....	724	698	-26
Net income (before taxes).....	2,931	3,011	80

Mr. HUMPHREY subsequently said: Mr. President, the true meaning of a piece of proposed legislation can very often be determined by finding out the public reaction of people who are affected by it, and of the newspapers in different parts of the country, keeping in mind that newspapers have both readers and advertisers. On January 18 the Louisville Courier-Journal published an editorial captioned "Eisenhower-Benson Farm Plan Shows Neglect of Realities." The Courier-Journal happens to be one of the most highly respected and perceptive newspapers being published. I ask unanimous consent that the entire editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

#### EISENHOWER-BENSON FARM PLAN SHOWS NEGLECT OF REALITIES

President Eisenhower in his farm message to Congress presented a succinct analysis of the Nation's farm problems.

No one can quarrel with his statements that "we must find ways of utilizing more completely the abundance that our farm people are now able to produce" and that "at the same time we must help our farm people to cope with the sometimes harsh consequences of their own unparalleled ability to produce \* \* \*."

But Mr. Eisenhower's solutions to the problems fall short of the goals he himself sets up.

For the farm families with low incomes—those "millions of rural people who \* \* \* have been unable to make the adjustments



called for by modern technology"—the President again calls for a rural development program of broad dimensions.

This program, which has been operating on a pilot basis for several years now, has merit. But it scarcely can be considered a solution to the problems of the low-income farmers. The program is not yet in full operation and the movement of farm people to the cities has been going on at a terrific rate for several years.

The almost 2 million farm people who left their farms between April 1956 and April 1957, certainly got little help from the rural development program.

Under the present administration the emphasis has been mainly on pushing these people off the farm and second, on seeing to it that they are able to adjust to the conditions into which they are being forced.

The emphasis has been on economics and not on people, despite the fact that a forced-draft economic program involves people as individuals rather than as pawns in a game of "who's got the dollar?"

Furthermore, Mr. Eisenhower fails to show how pushing these less productive farmers off the land will help the farm problem. A recent study by the University of Kentucky shows that in the past 35 years the number of farms in Kentucky has declined by 30 percent and the average size of farms in this State has increased by 30 percent.

Despite this decline in persons engaged in agriculture, the study points out, the farm output of Kentucky has increased over the same period.

For the commercial farmers, Mr. Eisenhower recommends several changes to the program.

He recommends abandonment of the acreage reserve part of the Soil Bank program. On this point he will get the support of many Members of Congress. The House voted to dump that program last May and it was salvaged mainly because of the action in the Senate.

Mr. Eisenhower also recommends that the conservation reserve section of the Soil Bank—originally the lesser part of the plan—be extended and be given greater emphasis. There is merit to this recommendation, especially the tree-planting program that is part of it. Trees are one of the few farm products which are not in surplus and apparently will not be for many, many years.

Unfortunately, though, the conservation reserve section of the Soil Bank as it has been operated in the past has not caused any great rush on the part of farmers to put their land into trees. Most of the tree planting which has been done recently has resulted from another program—the agricultural conservation program which is an offshoot of the old Agricultural Adjustment Administration of the New Deal days.

Most of Mr. Eisenhower's recommendations for commercial farmers are concerned with juggling price-support programs. And the net effect of his recommendations in this field would be to get even greater production of crops than we have now at even lower prices per unit.

If such a policy is adopted it will mean even faster removal of farmers from the land and larger and larger supplies of farm commodities.

The President even suggests that dairy products be supported at less than the 75 percent of parity level to which Secretary of Agriculture Benson has announced he will again cut them next April.

#### A GRIM COINCIDENCE

The President, of course, could not be aware that at the very hour he was making this recommendation the responsible leadership of 17 of the Nation's milk-producer cooperatives were meeting in Louisville and threatening a widespread strike of dairy

farmers unless prices are sustained on fluid milk at not less than 1957 levels.

And the President also suggests cutting the price supports under tobacco, despite the fact that market prices this year again have been well above the present 90 percent of parity levels.

All told, the farm message indicates that the President is not well informed on the farm problems of the Nation.

This, of course, should surprise no one. President Eisenhower is simply following the recommendations of Secretary Benson who firmly believes that the solution to the Nation's farm problems lies in going back to the methods which were used 30 years ago to solve the farm problems that resulted from World War I.

History shows that those methods didn't do the job.

Mr. HUMPHREY. Mr. President, the reference to the meeting of 17 milk-producer cooperatives in Louisville is worth further attention, as a further indication of the reactions of producers to the kind of Federal legislation that has been unashamedly offered. Mr. President, I ask unanimous consent to place the text of the report of this meeting in my remarks at this point in the RECORD. The story is headed "Milk Co-ops Oppose Idea of Price Cut—Strike Threat Is Suggested by Individuals."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### MILK CO-OPS OPPOSE IDEA OF PRICE CUT—STRIKE THREAT IS SUGGESTED BY INDIVIDUALS

(By E. W. Kleckhefer)

Representatives of more than 30,000 dairy farmers announced here yesterday they will demand that farmers get as much for milk that goes into bottles during 1958 as they got for such milk last year.

The formal statement by the managers of 17 milk-producers' co-operative associations—reaching from Chicago to Florida—did not say what farmers would do if they fail to gain their demand through negotiation with milk companies.

But the threat of a nationwide strike by farmers was implied by individual members.

#### FORMAL STATEMENT ISSUED

"Then we get out the pitchforks \* \* \*" was the way one manager expressed it to a reporter.

The co-operative managers issued their formal statement at the close of a 2-day meeting at the Brown Hotel.

A resolution adopted by the group said the decision was reached after having given consideration to producers' milk prices for 1958 and with particular concern of the disastrous effect on income to dairy farmers which will result from the drop in dairy support prices as proposed by the Secretary of Agriculture.

Secretary of Agriculture Benson announced last month that effective April 1 he would cut supports under dairy products to the legal minimum of 75 percent of parity. Supports during the last year were at 83 percent of parity.

(Parity is a standard for measuring farm prices declared by law to be fair to farmers in relation to their costs.)

Chairman of the conference was A. M. Glover of the Knoxville Milk Producers Association. J. B. Brown, attorney for the Falls Cities Milk Producers Association of Louisville, acted as moderator.

#### MAY STILL GET LESS

Brown asserted that even if the dairy farmers' demand is met by the dairies, farmers still will be getting less for their total

milk production this year than they did in 1957.

Their demand will affect only that part of the milk that goes into consumer bottles and not the portion that goes into such manufactured products as butter and cheese.

(Most major cities now operate under milk-marketing orders supervised by the Federal Government. Under such orders, dairy farmers and milk handlers negotiate a formula for determining how much farmers will get for their milk.)

(Such formulas usually are based on prices being paid for certain dairy products, such as evaporated milk, dried milk, and butter. The price the farmer gets for his milk each month is a "blend" of this basic price and the price paid for milk that goes into bottles.)

"We do not feel that our demand is unreasonable," said Glover. "All we are asking is that we get as much for fluid milk this year as we got last year. If that is unreasonable then what we were getting last year was unreasonable and the figures show that is not true."

Brown said past experience showed that a reduction in prices paid to farmers for their milk does not bring about lower prices for the consumers.

Since 1954, he asserted, the support price for dairy farmers has gone down 13.1 percent while prices consumers paid for milk went up 9.3 percent.

He also noted that Louisville dairies have announced an increase in retail prices since Benson issued his announcement that farm-price supports would be cut.

Brown cited a chart showing the trend of prices paid to dairy farmers in the Louisville area since 1940 adjusted to the Consumer Price Index issued by the Bureau of Labor Statistics.

#### NOVEMBER PRICE WAS \$4.49

The chart showed that in November 1957, farmers in the Louisville milkshed were receiving \$4.708 for each 100 pounds of milk used in bottles and the blend price actually paid to farmers was \$4.49.

If prices paid to dairy farmers had followed the trend of the Consumer Price Index, Brown said, farmers would have been getting \$5.989 for their milk going into bottles and a blend price of \$5.57.

The conference authorized its chairman to contact other cooperative associations or groups of associations "and advise them of the action taken by this group and to request their support in this program of common endeavor."

#### SIMILAR MEETINGS HELD

Similar meetings have been held in other communities recently. A group representing dairy farmers in Arkansas, Oklahoma, Texas, and Gulf States met last Saturday at Memphis. Another meeting was held yesterday in Missouri.

Attending the meeting here were representatives of the Mid-South Milk Producers, Memphis; Madison Milk Producers Association, Jackson, Tenn.; Nashville Milk Producers, Nashville; Knoxville Milk Producers, Knoxville; Tri-State Milk Producers, Bristol, Va.; Pure Milk Association, Chicago; Square Deal Milk Producers, Highland, Ill.; Decatur Milk Producers, Decatur, Ill.; Independent Dairy Farmers, Fort Lauderdale, Fla.; Paducah Graded Milk Producers, Paducah; Prairie Farmers Cooperative, Carlinville, Ill.; Producers Creamery Cooperative, Springfield, Mo.; Ohio Valley Milk Producers Association, Evansville; Indianapolis Dairymen's Cooperative, Indianapolis; Cincinnati Milk Sales Association, Cincinnati; Chattanooga Area Milk Producers, Chattanooga, and the Falls Cities Milk Producers Association.

Mr. HUMPHREY. Mr. President, one of President Eisenhower's favorite vacation spots in the past five years has been



the national golf course in Augusta, Georgia.

Perhaps the President will not be so happy in Augusta—if his advisers get around to showing him the treatment Augusta's two daily newspapers gave to the Eisenhower farm program of 1958. Both the Augusta Herald and the Augusta Chronicle were bitterly critical of the President's program, outlined to Congress on January 16.

I ask unanimous consent that two editorials published in those newspapers be printed in the RECORD at this point.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Augusta (Ga.) Herald of January 17, 1958]

#### **IKE'S FARM PLAN KILLING BLOW AIMED AT SOUTH'S SMALL FARMS**

If we correctly understand the implications contained in the President's latest zig in his zigzag course of laying down national policy, he has run full tilt into a new mess of trouble.

Far from becoming the example of firm and direct leadership which many persons thought they had glimpsed when he made his State of the Union address, Mr. Eisenhower is beginning to take on the aspects of this country's most misguided missile in policymaking.

The President had hardly completed his crawfishing maneuver on taking a personal hand in reorganizing the Defense Department when he came up with the idea of knocking existing props from under the prices on farm products and of leaving it up to Secretary Ezra Taft Benson to decide where new supports should be fixed.

The President's latest proposal is going to be as unpopular as his backing away from the Defense Department problem was disappointing and disheartening. Both indicate not that the President is exercising his privilege of delegating authority but that he is letting slip the reins of power which—for a brief instant—he seemed to have resumed with both authority and determination.

Not only does the President seek to knock out price supports—he wishes also to kill the Soil Bank acreage reserve and make other farm program adjustments to deal, as press reports put it, with what he calls an "irreversible \* \* \* technological revolution in agriculture."

This latter is wonderfully broad and wonderfully obscure language which deserves elucidation.

However, the crops which his proposal would affect are those tied in directly with the economy of this region—cotton, corn, wheat, rice, tobacco, peanuts, and dairy products. Most or all of these are grown in Georgia or have a direct bearing upon the livelihood and well-being of Georgia farmers.

Relaxed or withdrawn supports are going to pinch the Southern farmer, who generally is a relatively small operator. The President's play seems to be made directly to the big farmers who will benefit immensely from unlimited acreage apparently because of the "technological revolution" of which he speaks.

The big farmer, with unlimited acreage, need have little worry about the lessened parity. He can make up the price differential through sheer quantity of production. This the relatively small farmer cannot do with anything near the same degree of certainty.

Likewise, the Soil Bank program which the President proposes to jettison was intended, we thought, to put some control on surpluses, to bring supply and demand more closely into balance. Any great amount of

imbalance can be expected to do harm—and the small farmer certainly is going to be called upon to bear the brunt—just as small businesses would suffer if similar support measures were withdrawn from them.

It may be, in all fairness, that the President sees real benefits accruing from his proposals. We cannot, in the light of what we have been told and the broad language the President has used. We would like, for instance, to know just what he means when he refers to an "irreversible \* \* \* technological revolution."

Fortunately, the President's farm proposals face a stiff fight in Congress. Perhaps out of it will come enlightenment—and a clearer picture of just what the President does mean and just where he is heading.

[From the Augusta (Ga.) Chronicle of January 19, 1958]

#### **WOULD BANKRUPT FARMER**

There seems to be a conspiracy in Washington to liquidate the family-type farmer in the United States.

The new Eisenhower farm program, which has all the earmarks of being inspired by Secretary of Agriculture Ezra Taft Benson, would, if adopted, about put the finishing touches to the obvious scheme for putting the small farmer out of business.

The President is asking Congress for authority to reduce farm parity supports to 60 percent and to ease production controls on major crops.

If the Eisenhower administration is bent on destroying the individual farmer, and setting up a collective system of agriculture operated by factory-type corporations, it certainly has hit on the right formula. Georgia farmers today are about going broke operating on 75 percent of parity; the proposed 60 percent would put them in bankruptcy.

Really, the Eisenhower program would make Secretary Benson a virtual czar of American agriculture, empowered to fix farm prices at any figure he saw fit, and, if he chose, to open up the floodgates which would put great agricultural surpluses on the market with a consequent depression of farm prices.

Agriculture Department officials say that a reduction in price supports could be expected to be reflected in lower market prices for wheat, livestock, feed grains, rice, peanuts, milk, and cotton. These lower producer prices, in turn, would show up in some reductions in retail prices of meats, poultry products, dairy products, cereals, and the like.

This would mean that, with the middleman taking his sizable profit, the farmer would get only a paltry sum for his products.

Why is it that our present-day economy is geared to take care of everybody, through good wages, fringe benefits, subsidies and the like, except the man who tills the soil and produces the food and fiber for the rest of us?

If our farms are to be operated by corporations, and the family-type farmer is to be driven to the wall, we will lose a very precious element of our traditional way of life. Agricultural collectivism—the corporate farm—is something which always has been entirely foreign to America. When the farmer loses his independence, his means of supporting his family—when he is driven from the soil by adverse Government policies—we have suffered the loss of a type of rugged individualism which will be hurtful to all of us in this country.

Congress should see to it that the American farmer is allowed to survive and share the prosperity with the rest of the people of the Nation. It should turn thumbs down on this new farm program, which comes in the guise of aid for agriculture, but which in reality would put the American farmer as

we have known him for generations out of business.

Mr. HUMPHREY. Mr. President, the Des Moines Register also reacted editorially, saying, among other things:

The President's farm message breaks no new ground on farm policy. It is strong in describing the farm surplus situation but weak in proposing what to do about it. If Congress goes along with the President, farmers can expect no improvement in income in the next few years—and perhaps further decline.

The administration is just kidding itself if it thinks the low farm income problem is being solved. Mr. Eisenhower took comfort in the fact that farm income had stabilized the last 2 years and in the fact that farm prices are running 3 percent above a year ago. Farmers don't take much comfort in these statistics showing a leveling off at the end of a 5-year decline of income.

Mr. President, I ask unanimous consent that this editorial from the Des Moines Register be placed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD as follows:

#### **THE IKE-BENSON FARM POLICY**

The Eisenhower administration solution for the farm surplus problem still is to lower price supports and to relax production controls.

In his message to Congress on farm policy, the President recommended that the legal minimum floor under prices for the basic crops be dropped from 75 to 60 percent of parity. He proposed that corn acreage allotments be eliminated and that the Department of Agriculture be given more leeway to increase allotments for other basic crops. And he recommended that the acreage reserve part of the Soil Bank program be abandoned in 1959. The acreage reserve is a reduction in basic crop acreage below the regular allotments.

To reinforce this policy of lower price supports the President proposed that the flexibility formula, which he and Secretary Benson advocated until recently, be thrown out. Under present law, the Secretary of Agriculture must raise price supports when supplies decline. Secretary Benson feels that as soon as one surplus is removed, the sliding-scale formula which boosts price supports provides an incentive to produce another surplus. So the administration wants to get rid of what it now calls the escalator formula.

Thus Benson now favors rigid price supports, but at a low level.

The President recognizes that the agricultural production revolution places great stress on farm people. He said the Government must help our farm people to cope with the sometimes harsh consequences of their own unparalleled ability to produce.

He believes ways must be found of utilizing more completely the abundance \* \* \* [by] expanding markets \* \* \* among our own citizens and among people all over the world.

Lowering price supports will help to move farm products into consumption and prevent surpluses. But the trouble is, from the farmer's viewpoint, that it also reduces his income. Farmers are not likely to look upon this policy as helping them to cope with the harsh consequences of the overproduction situation.

If the Eisenhower administration were suggesting some alternative method of shoring up farm income during a period of severe adjustment problems, the further reduction in price supports and elimination of the acreage reserve payments would be sensible.



But no such alternative is presented. Mr. Eisenhower suggested an expansion of the conservation reserve part of the Soil Bank, to be sure. But the payments under this plan are relatively small and would not offset the elimination of the acreage reserve payments. The President's message recommended \$450 million for this. The Soil Bank originally was to provide about a billion dollars of supplemental income to agriculture.

The President's proposal that the Commodity Credit Corporation Board be given responsibility to assist the Secretary of Agriculture in setting price supports and acreage allotments is a good one. The use of the words "to assist" indicates that the Board would not be merely advisory but would act in some respects as a stabilization Board. Mr. Eisenhower wants this bipartisan Board increased from 5 to 7 members, appointed by the President as at present but with confirmation by the Senate.

This would take some of the heat off the Secretary of Agriculture. Since Secretary Benson is so dogmatic in his views on lowering prices and getting back to the free market, farmers might reasonably expect that any bipartisan board would have a moderating effect on price decisions.

The President's farm message breaks no new ground on farm policy. It is strong in describing the farm surplus situation but weak in proposing what to do about it. If Congress goes along with the President, farmers can expect no improvement in income in the next few years—and perhaps further decline.

The administration is just kidding itself if it thinks the low farm income problem is being solved. Mr. Eisenhower took comfort in the fact that farm income had stabilized the last 2 years and in the fact that farm prices are running 3 percent above a year ago. Farmers don't take much comfort in these statistics showing a leveling off at the end of a 5-year decline of income.

Mr. HUMPHREY. Mr. President, President Eisenhower's recommendation to cut supports and up allotments has won no favor on any hand in tobacco producing areas. I have a news report which appeared a week ago in the Danville Register of Danville, Va., and I ask Senators to note the similarity of reactions between members and officials of the Virginia Farm Bureau and the Virginia Farmers Union. I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

**IKE'S NEW FARM PROGRAM CONDEMNED BY PROTESTING AREA TOBACCO GROWERS**

If the tobacco growers of Danville's neighboring counties can do anything about it, the Eisenhower-Benson farm program for 1958 will be scuttled completely.

The latest in a series of protests raised by area farmers was sounded by the Pittsylvania County Farmers Union meeting in Chatham last night.

The county organization adopted a resolution promising to fight "with all the strength we have" the program as proposed by President Eisenhower in his farm message last week.

A number of Caswell County farmers have blasted the administration proposals, terming them "disastrous." One tobacco grower, from Pelham, said that if Secretary of Agriculture Benson is granted authority to increase acreage allotments and to lower price supports on tobacco to 60 percent of parity the Old Belt tobacco program will be swallowed up by Alabama and Georgia farmers.

Farmers in those States, the Pelham grower

said, have thousands of acres ready to be planted.

Another farmer predicted that lowering price supports will bring back 30-cent tobacco. "You can't grow tobacco for 30 cents and pay your taxes, too," he added, vehemently.

Willie Towler, president of the Pittsylvania County Farmers Union, said last night that he had contacted five other fellow county presidents and all are "astonished that the Secretary of Agriculture might recommend such a thing."

Towler also lashed at Eisenhower's proposal that funds for liming and fertilizing soils be done away with. This would make the agricultural conservation practices (ACP) program "almost ineffective for the State of Virginia," Towler said.

Elimination of the soil bank would finish the ACP program in Virginia, Towler said. He noted that most Old Dominion farmers own small plots of land in comparison to midwestern agronomists whose individual tracts amount to thousands of acres. Those farmers, Towler said, can place large acreage in the ACP program where Virginia growers cannot spare the land for the long-term conservation practices.

Echoing the words of the Pelham farmer, Towler said that "in the Old Belt, we have all to lose and nothing to gain" by the Eisenhower program.

Roy B. Davis, Jr., of FACES, president of the Virginia Farm Bureau, has said that his organization definitely is opposed to granting Benson power to place support prices at any level between 60 and 90 percent.

He called attention to the Farm Bureau's stand on the issue, quoting from its 1958 policies: "Price support levels should take account of competitive conditions, supply and demand, and market trends. They should not be based on arbitrary formulas nor left completely to the discretion of the Secretary of Agriculture."

The Farmers Union resolution passed last night said that southern tobacco growers have cooperated with the Agriculture Department on every phase and that the program has been "conducted in such a manner that the Government has never lost a penny."

It went on to say: "We have conducted a sound tobacco program for the past 23 years and we feel that this program, if it should be enacted, in Congress, will defeat everything we have gained in that time."

Mr. HUMPHREY. Mr. President, the same copy of the Danville (Va.) Register carries an Associated Press account from Raleigh, N. C., regarding the adverse reaction of Farm Bureau members and leaders throughout North Carolina. I ask unanimous consent that this account also appear at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

**IKE'S AGRICULTURAL PLAN OPPOSED BY NORTH CAROLINA FARMERS**

RALEIGH, January 22.—Farm Bureau members and leaders from throughout North Carolina spoke out here today against the new Republican administration proposals for solving the ills of agriculture.

Several hundred members attending a statewide commodity conference unanimously approved a statement of protest drafted by Alonzo C. Edwards, the organization's executive vice president.

"The President's proposals are contrary to what North Carolina farmers feel is a reasonable farm program necessary to protect farmers from violent price fluctuations and market conditions which leave them with

little or no bargaining power," the statement declared.

The tobacco session adopted a statement strongly endorsing the 90-percent price-support program on tobacco and vigorously urging its continuance with no reduction in the support level. The statement pointed out that the program has not caused any financial loss to the Government and at the same time has enabled farmers to produce the crop at a reasonable profit.

Principal speaker at the general session was D. S. Weaver, director of the State Agricultural Extension Service. He said the noncommercial or marginal producer, with no source of income other than his small farm, represents North Carolina's most acute agricultural problem.

The noncommercial farmer, Weaver said, has five choices. He can organize his present resources to do a better job, enlarge his operations, turn to off-farm work, leave the farm, or become a welfare case.

The livestock committee endorsed a proposed assessment on slaughter cattle and urged a favorable vote in the referendum on March 15.

Mr. HUMPHREY. Mr. President, coming to opinion in my own State of Minnesota, I want to pass on the report my good friend Ed Christianson, president of Minnesota Farmers Union, made to his membership on the President's recommendations. I ask unanimous consent that it be inserted in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

**PRESIDENT'S PROGRAM WOULD MEAN FINANCIAL DISASTER FOR FARM FAMILIES—END TO REA, FHA, AND ACP PROGRAMS**

(By Edwin Christianson)

There was little new or unexpected in the President's farm and budget messages regarding agriculture. The broad general outlines of the administration farm proposals have been publicly known and explained for several months by Secretary Benson.

Still the actual details, when spelled out in black and white, are very shocking to some people who were reluctant to believe the truth about the aims of the administration farm policy.

Some had been taken in by the talk of need of the flexible support system as a post-war agricultural readjustment, but up to now they refused to believe that the real aim was the destruction of the farm programs altogether.

Some had hoped that there was some difference between the Eisenhower farm policy and the Benson farm policy. Now they can no longer indulge in that hope.

Thinking people, on the farm and in the Congress, now must come to grips with reality. There is a clearcut line on farm policy. There is no confusion, no uncertainty.

**NO ONE CAN BE NEUTRAL**

No one can any longer be neutral about farm policy. The people and Members of Congress will have to stand up and be counted.

Either they are for farmers, or they are against farmers and for Eisenhower and Benson's farm policy.

As far as farmers individually are concerned, they must consider the issues in terms of their own pocketbooks.

Here are some questions they might ask themselves:

Can you operate on \$1.43 wheat, 57 cents a bushel less than the 1957 support level?

Can you operate on \$1.09 corn, 31 cents a bushel less than the 1957 support level?

Can you operate on \$2.35 per hundred-weight for milk, 90 cents a hundredweight less than the 1957 support level?



Can you operate on 45-cent butterfat, 13 cents a pound less than the 1957 support level?

Does it make sense to try to cure surpluses by expanding production, which is what is being proposed when they suggest larger acreage allotments in turn for lower price supports?

As a matter of reality, the price cuts down to 60 percent of parity would mean disaster for most farm operators.

Wheat at \$1.43, corn at \$1.09, milk at \$2.35, and butterfat at 45 cents would be below the actual cost of production.

#### PRESIDENT'S MESSAGE BASED ON FALSE ECONOMICS

There are several inconsistencies and faults in the logic with which the President attempts to justify his recommendations:

1. He recommends further cuts in price-support levels although there is not the slightest bit of evidence to show that the price cuts of the past several years have solved anything at all.

2. He is wrongly advised in thinking that farmers can improve their position by expanding production to cure surpluses. That idea is based on the theory that more goods would be moved into consumption and the total net farm income would be higher. There are two things wrong with that theory: first of all, the cut in farm prices would not be passed on to the consumer to any important degree; therefore, there would not be any improvement of significance in consumption; secondly, when additional volume is put on the market in times of surplus, the price drops by about 10 percent for each 1 percent added volume put on the market. Thus, farmers would take a big loss across the board on all their marketings in order to gain a small additional market volume. Certainly, there would not be any gain in selling more bushels if they are to be sold at a loss.

3. He is incorrect in assuming that production controls will not work. Acreage allotments have not been as effective as they should have been, but this is not due to the failure of the acreage allotment system; it is due to the failure of the flexible-support system. The effectiveness of acreage allotments has been partly nullified by the pressure of low price forcing greater production. Acreage allotments when used with 90-percent supports have been effective and would be effective again if so used. For example, our carryover of wheat on July 1, 1954, prior to controls, was 934 million bushels. Our carryover on July 1, 1957, was 908 million bushels and will drop to about 851 million bushels on July 1, 1958. Some will claim that the credit for the reduction should go to the Soil Bank. However, the Soil Bank has only replaced income from the diverted acreage; therefore, it has not accomplished anything which would not have taken place if wheat supports had remained at 90 percent of parity. What we are saying is that there was no more wheat-crop reduction, with wheat at \$2 and with a Soil Bank, than there would have been with acreage allotments alone and wheat at \$2.25. This is borne out by the fact that wheat acreage has not been cut appreciably below the 55-million-acre national minimum. The low prices tended to nullify the effect which the Soil Bank could have had if used with stronger price levels. The Soil Bank, if used with allotments and with supports at \$2.25 or \$2.50 per bushel, would have made a much more sizable reduction in crop plantings.

#### PRESIDENT HAS LEARNED NOTHING IN 5 YEARS

The sad truth about this situation is that the President has apparently learned nothing about farm economics in his 5 years in office.

He had been badly advised and has been shielded by his advisers from the truth about

the farm situation and from the consequences of his policies.

The whole farm message shows no independent thinking on the part of the President—it is just a rehash of recent speeches which have been made by Benson.

The decision of Eisenhower and Benson to make a frontal attack upon all farm programs indicates that the big responsibility is going to fall on the Congress.

If we are to keep a domestic agricultural industry based on family farms, the Congress will not only have to turn down the administration proposals but actually move ahead with measures that will raise farm prices and income.

If the Eisenhower proposals are carried out it will mean disaster for hundreds of thousands of our farm families. It will mean a shift of our pattern of agriculture to a planned scarcity, agri-business type of farming. Such a system would tear down our productive capacity at the very time that we should be taking measures to strengthen the financial footing of our farm families so that we can stay ahead of Russia in agricultural production.

Our ability to produce food during two World Wars has been perhaps our greatest asset. We certainly cannot shift to a planned scarcity type of agriculture and give the Communists the opportunity to surpass us in food production and gain this economic advantage over us in either a cold or a hot war.

#### MAY HELP REVITALIZE FARM BLOC

The only good thing about the farm message in the long run is that it may bring some new vitality into the farm bloc. It may attract some needed support to the farm bloc from city Congressmen who heretofore felt that they could either go along with Benson or be neutral about him.

Our food and fiber production accounts for an important part of the raw materials in our major industries and we cannot afford to have these raw materials enter the economic stream at depressed prices.

If the Congress properly assumes its responsibilities to maintain a stable agriculture in this Nation, then the passage of a good farm bill this year is not impossible. In fact, if the Members of the Congress will put the welfare of the country above partisan politics, a farm bill can be passed with more than enough votes to override a Presidential veto.

Mr. HUMPHREY. Mr. President, dairy problems have long been the target of vicious price-cutting attacks. Now the President tells us that dairymen, along with the producers of the basic commodities, should have their support floor reduced to 60 percent of parity and that this would lead to market expansion and greater freedom. I promise you that you will hear more, much more, comment about this unrealistic approach.

Dairy producer groups sent representatives to Utah Farm Program Development Conference, and I ask unanimous consent to have excerpts from the report on the conference printed in the RECORD.

There being no objection, the excerpts from the report were ordered to be printed in the RECORD, as follows:

REPORT ON DAIRYING COMMODITY SESSION, FARM PROGRAM DEVELOPMENT CONFERENCE, NEWHOUSE HOTEL, SALT LAKE CITY, NOVEMBER 16, 1957

(Submitted by Daniel J. Dykstra)

Today there are 500,000 dairymen in the United States. A dairyman is a farmer who receives at least half of his income from dairying. There are 23,028,000 dairy cows

in the United States. This number is about 1 percent less than last year but despite this decrease, production has increased. It is estimated that 128 million pounds of milk will be produced this year. The significance of the dairy industry is that 14 percent of the cash receipts of agriculture as a whole come from the sale of dairy products.

The contrast of the economic status of the dairying industry in 1956 with 1947 is as follows: In 1947, per capita consumption of dairy products was 766 pounds; in 1956, it was 677 pounds. In 1947, the farmer got \$376 per hundred-weight for manufacturing milk; in 1956 that price had dropped to \$3.30 per hundred-weight. Price per pound of butterfat in 1947 averaged 71 cents; in 1956 that average was 58 cents. Despite the decrease, the retail cost of milk in 1947 was 19 cents per quart; in 1956 it had risen to 24 cents.

In 1952 114.7 billion pounds of milk was produced; in 1957 that figure will increase to 128 billion pounds.

What has caused this disparity? Are we plagued with overproduction? Can we devise some plan to do as United States Steel does to cut production? Why do we overproduce?

The pressure to produce stems from the fact that farmer's production costs have constantly increased and that as a consequence, he is forced to produce more in order to meet these production costs. The current system has the farmer operating under a two-price system. He, in effect, sells his milk getting paid on a solid weight content basis but from the residual materials the processor makes many byproducts which he in turn resells to other farmers and consumers. For the materials that go into these products the farmer gets no pay.

The two biggest dairy processing companies reported highest profits in history for recent operations. Is this part of the trouble, are the processors getting too much?

The difficulty is that the farmer is not organized; that he, contrary to all other producer groups, has no voice in establishing the price he can get for his product. The farmer has to have equality of price. There should be no division between grade A or grade C and he should get paid for all of his products.

The dairymen have three fixed costs: living, operating, and taxes. If supports go down these costs remain constant and necessitate more production in order to meet them. The dairyman has to increase his herd to take care of added costs.

It was agreed by the group as a whole that the present farm dairying program is not satisfactory. Increased production will not help us. At dairy meetings the processors always talk big business. They urge increased production because it is to the processor's advantage to have a surplus so they can cut prices. The difficulty is the farmer does not know how much of a surplus is being produced. The processors don't tell them, and purposely don't tell them. They want a surplus.

We need controlled production on all products from a Government agency. All products must be under the same program, that under such a program there will be times when income to the Government from one, would aid and assist in subsidy payments to others. As it is, some products benefit more than others. What we need is a program whereby we can stick to that for which our farms are best suited.

It was the sentiment of the group that they are in favor of curtailed production.

Upon the suggestion of the chairman, a member of the audience made a motion that we favor a program which would give a parity of income. The motion was seconded and all voted in favor.



In order to attain this we must place farmers in a position where they could have some say in the price they will get for the products. This partially involves educating the consumer as to the value of dairy products. We should stress that the consumer is getting 42 cents worth of food value in a quart of milk for which he is paying 24 cents.

Mr. HUMPHREY. Mr. President, Secretary Benson's home State numbers among its farmers many sugar-beets producers. When this administration took office, they found in operation a successful sugar program, based upon producer-marketing quotas. It is remarkable that no recommendations have been made that would wreck the sugar program. It has not been undermined and attacked as have the other programs which attempt to give farmers some semblance of bargaining power. For this reason, I ask unanimous consent to have the report made of the sugar-beets commodity session of the farm program development conference in Utah printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT ON SUGAR-BEETS COMMODITY SESSION, FARM PROGRAM DEVELOPMENT CONFERENCE, NEWHOUSE HOTEL, SALT LAKE CITY, NOVEMBER 16, 1957

(Submitted by Warwick C. Lamoreaux)

There was general agreement that the legislation on the books at this time is adequate, and should be continued, the principal objections went to administration by the Department of Agriculture.

There was unanimous expression of the following declaration: Increased costs overall are up 24 percent during the past 8 years. The sugar branch of the Department of Agriculture comprising five members and the Secretary, can regulate the price of sugar to a nicety by adjusting the amount of sugar permitted to be produced and imported into this country. In the same 8 years, while our costs have gone up said 24 percent, the USDA has only allowed the price of sugar to rise 4 percent. This has worked a vast cost-price squeeze against the producer. To be fair to the consumer, as well as the producer of sugar, we are entitled to a 20 percent raise in the price of sugar beets. This would approximate \$1.80 per ton for sugar beets this coming year. The law charges the USDA with taking into account the costs of producing beets in setting the price of sugar. We definitely feel the Secretary and his associates have not been realistic in recognizing our increasing costs. The attitude in this matter must be altered at once if we are to survive.

As acreages are curtailed on beets, most farmers produce other crops. There seemed to be general agreement that beets represented the only profitable, or in many instances, cash crop. All other fields of production were suffering deficits. Beets and the present law are the only signs of hope of survival, but realism in recognizing increasing costs is mandatory or the sugar beet producer will be driven to the wall.

All agreed that sugar producers should have a fair share of the national income, but the feeling was general that because of administration of the act, the producer was not getting enough.

There was positive agreement that sugar must never move into a free market; that it must be controlled under systems like the present law. There was satisfaction in wage stabilization among the competitive forces. In a free sugar market the differences in wage scales would put an end to the domestic

sugar production. The allocation of acreages was defended; but there was some dissatisfaction with the manner in which acreages are allotted within the State of Utah.

#### SALE ON FUTURES

The speculative practice of purchase of future production of sugar came in for much comment. It was suggested that this entire field be the subject of intensive study at high level to the end that the abuses, so detrimental to farmers, be eliminated. The commercial sugar user has learned to use this device to his vast advantage and the producer suffers. It was hoped the leadership of this conference would enter the field and make recommendations on how to approach such a study. Some called it a damnable practice, while others suggested it was a necessary evil; but all agreed it must be better understood, as being a tool of the sugar beet manufacturers to beat down the price to the farmer.

Mr. HUMPHREY. Mr. President, now we come to a different area: New York City itself. The New York Times feels differently about the President's farm program—quite differently. It reflects the view of many strictly big city papers—just the opposite of the view expressed by newspapers in the heart of rural America. Is it any wonder some of us question whether the Eisenhower-Benson farm program is designed to serve farmers, or to have supposed political appeal to city voters?

Mr. President, I ask unanimous consent to have printed at this point an editorial from the March 4 issue of the New York Times, to show an interesting comparison of what areas are for Bensonism as contrasted to the editorials I have presented from farming areas.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

#### THE BENSON ISSUE

The average reader following the news stories dealing with the attitude of Congress toward the retention of Ezra Taft Benson as Secretary of Agriculture might be forgiven if he concluded that the only Republican standing behind this dedicated and courageous friend of the farmer was the man who appointed him, President Eisenhower.

This would not be the fault of the newspapers; it would be because the outcry raised by Mr. Benson's critics is noisy and persistent, out of all proportion to its importance, and is prompted predominantly by a desire to make headlines. It is doubtful that, even among those critics who profess to regard his policies as unsound, one could be found who would be prepared to meet the Secretary of Agriculture in open debate in public, which proves this much at least—that though they may not know much about agricultural economics they at least have a highly developed instinct for survival.

Unfortunately for the reputation and the future of the Republican Party, a sizable proportion of this noisy minority pitches its opposition to Mr. Benson at an even lower level than those who profess objections to the Secretary's policies. These are the boys who have been frightened into opposing him not because his policies are not right but because, while he is probably right he may have antagonized agriculture's vested interests. Primarily these would be the big farmers, who learned to become accustomed to living off Government subsidies under temporary legislation enacted in wartime and whose representatives in Congress have steadfastly refused to return, as they were directed by that legislation, to a farm program designed to meet the requirements of peacetime.

Confidence in the basic policies of Mr. Benson, a successful farmer and graduate student of agriculture, is not confined to the White House. That confidence is shared by such farm organizations as the American Farm Bureau Federation, by an overwhelming majority of farm economists and by the studies of groups, objectively minded, such as the American assembly, which have no axe to grind and which are representative of every important segment of the economy.

Mr. HUMPHREY. Mr. President, the Watertown Daily Times, of Watertown, N. Y., is published in a great farming area where its editors know what is going on in agriculture.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial from the Thursday, December 19 issue of the Watertown Daily Times entitled "Slow Farm Torture," and another from the February 22 issue entitled "Stubborn Mr. Benson."

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Watertown (N. Y.) Daily Times of December 19, 1957]

#### SLOW FARM TORTURE

Secretary of Agriculture Benson runs the price-support program for dairymen like the ancient gaoiler who slowly turned the thumbscrews. He says he will reduce parity payments next April 1 to the minimum now permitted by law, 75 percent. Such a reduction could conceivably amount to cutting the milk checks as much as 24 cents a hundredweight.

The Benson program for dairymen seems to be that of gradually helping the farmers go into bankruptcy.

April 1, 1958, will be the fourth anniversary of Secretary Benson's earlier contribution to the dairymen's financial distress. In 1954 he decided that the parity should be dropped from 90 percent. He did that, and in 1 month he lopped off practically 40 cents from the price of class III milk. As a result of his reducing the parity price, he took the farmers back to 4 years in their pricing. The milk price has never recovered from that April 1, 1954, dislocation. It has been estimated that on the effective date of the new parity schedule, the dairymen will start losing \$300 million a year in income. The milk producers of this State will drop about \$15 million.

What happens to the consumer? Mr. Benson says he will save a half a cent a quart on milk and 2½ cents a pound on butter.

There are some who fear that in the months between now and next spring the dealers and handlers will start the push for lower milk payments to dairymen. They will be successful in those areas where there is no milk order. In the areas where the milk orders apply, such as northern New York, the cut will come suddenly, although it will be no surprise. Apparently Mr. Benson believes that in addition to turning the thumbscrews, there are certain desirable aspects in creating agony through anticipation.

The Benson position is a simple one. The Federal Government must cease its parity programs, and the first victim must be the dairyman because he is not concentrated in any one area, controlling thereby a strong bloc of votes in the Congress. Mr. Benson doesn't dare interfere with cotton parity, peanut parity, or wheat parity because each of those crops has strong advocates on the Hill. There is no such thing as a dairy bloc, however. There can't be because the dairymen are a minority in the legislative districts where their farms are located. Mr. Benson believes that it is better to save money federally, while at the same time reducing the dairyman's income.



It is significant that Mr. Benson said in announcing his plan that the dairy reduction did not presage a cut in price supports on other crops.

Senator H. ALEXANDER WILEY of Wisconsin, a friend of the dairymen at heart, but always somewhat apoplectic, was led to comment on hearing of Secretary Benson's move, "This is not the time to pull the rug from under the farmers. We should wait." In other words, Secretary Benson has created an atmosphere in Washington that does not contemplate programs of help, but rather, "How can we gradually harm the dairyman?" Actually, he knows pretty well the method because he has tried it with success in the past. Anyone will agree that it is better to use something that has been successful rather than pioneer. Those thumbscrews always worked, and they still are.

[From the Watertown (N. Y.) Daily Times of February 22, 1958]

#### STUBBORN MR. BENSON

Secretary of Agriculture Benson has no intention of resigning. Friday he was called upon by 2 Congressmen representing a group of 30 House Republicans. Pointedly they explained to him that the longer he stayed in office, the less chance there would be for Republicans to come back to Washington after next November's election.

While they have been concerned all along with the disenchantment among the farmers over Mr. Benson, the Congressmen became aroused this week because a traditional Republican district in Minnesota elected a Republican Congressman by only 600 votes. In 1952, the GOP won by 60,000 votes. The reason the margin was so close was that the Democrats made Secretary Benson the chief issue.

The Benson answer to the suggestion that he quit was this: "As Secretary of Agriculture I will continue to pursue a course which I believe is best for our farmers and fair to all our people."

What to some people is political courage, to others is narrow stubbornness. Some who would justify the continuance of Mr. Benson in office suggest that the American people respect political courage; since a man of political courage has been found, the country should have the good sense to keep him. This line of argument fails to take into account the very important realities that the Congressmen seem to know better how to evaluate. These realities are that an agriculture program should be primarily in terms of agriculture, and not in terms of a stubbornness that seems to be grinding down the farmers at a time when other areas of the economy are increasing their standards. Agriculture is the one part of the economy that is worse off today than it was 5 years ago. In spite of recession, unemployment, or whatever this present business dislocation is, the aggregate of the economy, with the exception of agriculture, is operating at a higher level than it was 5 years ago.

Agriculture was bad in 1953 and this is what Secretary Benson was supposed to correct as the head of the Department of Agriculture. If there was ever a case of failure, that failure is taking place in agriculture, and Secretary Benson should pay attention to these Congressmen, each one of whom represents more people than he does.

Mr. HICKENLOOPER. Mr. President, I yield 10 minutes to the Senator from Iowa.

Mr. MARTIN of Iowa. Mr. President, on February 14 the Secretary of Agriculture, Ezra Taft Benson, spoke at the National Farm Institute meeting in Des Moines, Iowa. He was very well received by the farmers and other businessmen in attendance.

The Secretary talked about sound principles of agriculture which provide an excellent background of information for the debate on farm legislation which will occur in the Houses of Congress during the next few weeks. There is a great deal of misunderstanding about the various suggestions for farm legislation. It is essential that the Congress act on farm proposals with knowledge based on the facts.

It would be well for every member of Congress before voting on the various measures at hand, to read the Secretary's Des Moines speech. I ask unanimous consent to include this speech at this point in my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF EZRA TAFT BENSON, SECRETARY OF AGRICULTURE, BEFORE THE NATIONAL FARM INSTITUTE, DES MOINES, IOWA, FEBRUARY 14, 1958

I congratulate the farsighted leaders of your State, and in particular the Greater Des Moines Chamber of Commerce, for pioneering in this Farm Institute. They have given us a living instrument of free discussion, which is so basic to the American tradition. Free discussion—the asking of questions—the searching out of answers—this is one of the important elements of progress.

Those who were kind enough to invite me to address this institute showed great wisdom at this luncheon in their selection of foods from the fine products of the farms of this great Nation. Let us pause for a moment and give thanks for the teamwork between God and man which makes this miracle of the best-fed Nation on earth a reality.

Too often we overlook some of the most significant factors underlying our achievements. Never in history have so many depended on so few to feed and clothe us so well. Think for a moment of the agricultural revolution which enables today's farmworker to produce in 1 hour what it took 2 hours to produce in 1940 and 3 hours in 1910. Today's farmer is feeding himself and 20 others. With 7,000 additional mouths to feed every day the farmer will shortly feed himself and 25 others.

Farmers can accomplish this miracle only by the aggregate effects of education, research, machines, plant food, specialized mixed feeds, better seed, and soil.

The farmers of the United States are the most efficient in the world. How else can we explain the fact that these 20 million people, less than 1 percent of the world's population, are producing between two-fifths and one-half of the world's production of eggs, red meat, and milk. We should be un stinting in our praise of the American farmer for his productive ability. For this is the major factor enabling the American consumer to have the best diet in the world and to spend a smaller percentage of his income for food than in most countries. This basic fact also undergirds our standard of living—the highest in the world.

Now, this didn't all just happen by accident. The freedom to compete which we have here meshes together a production-distribution system unparalleled anywhere. Certainly, we've all watched the American housewife shopping. Through her mind goes the most amazing set of value calculations. She decides what is the best buy. Her daily choices, in effect, help decide which way prices will go. Her effective demand ultimately will say whether she wants more or less of a commodity at a competitive price. This price tells us which way production must ultimately go.

For the livestock, poultry, and dairy producer these daily choices are of the utmost

significance. They tell these producers how much and what kind of foods the customer will buy. Our food marketing system is intensely competitive, and this freedom to compete enables you to fatten hogs in Iowa for the dinner tables in New York, Boston, Miami—yes, and even Washington.

Those who don't want to compete in price, promotion, and quality must either build warehouses or get the Government to do it for them, or attempt to control production.

Here are some questions we all must ask ourselves: What will our agriculture be like 50 years from now—or 25, or even 10 years from now?

Will our farm families have more freedom to plant, to market, to compete—or will they have more Government interference? Will Government be at their side—or on their back?

Will our abundance be wisely used—or will it still be piling up in Government warehouses?

Will we have an economy of plenty—or a rationing of scarcity?

Will we have enough land, water, and timber—or will we be running short?

I have been reporting the facts about the agricultural situation to the American people. Some of our critics do not seem to want me to mention these facts. Apparently they feel that only those things should be mentioned that support their particular political point of view.

A few years ago surpluses were mounting rapidly and rigid price supports on the so-called basic crops were encouraging more and more production of crops already in surplus. We called attention to that situation, and our critics did not like it. When we pointed out that the surpluses had cut farm income an estimated 20 percent, or \$2 billion in 1 year, they were quite upset.

And now that we are pointing out some encouraging developments in the agricultural situation, our critics are, if anything, even more indignant than they were before. We have been reporting farm developments on a consistent basis. We will not be swayed by pressure to paint either a rosier or a darker picture than the facts justify.

Facts are facts, and the truth is that:

Income per person on farms last year—including income from all sources—was the highest income per person on record—up 2 percent over 1951, the previous high year.

The truth is that the level of living on farms is higher today than ever before.

The truth is that farm exports in fiscal 1957 set a new record of \$4.7 billion—68 percent higher than in fiscal 1953.

The truth is that the surplus production of American farms is being made available for hungry people at home and abroad.

The truth is that the postwar downtrend in prices which started in 1951 has been stopped. Prices received by farmers in January were 4 percent above a year ago and 10 percent above 2 years ago.

The truth is that the build-up of surpluses has been reversed. Government investment in surplus farm products owned and under loan has dropped about one-sixth in the past year and a half.

These are the facts. I believe that the American people have a right to know them.

But we all realize that, despite these more favorable developments, agriculture is still having some difficult times. Nobody knows that better than I. And nobody is more deeply concerned about it.

I know that the farm part of our economy is not sharing properly in our national prosperity.

I know that the people on over half of our farms—the small farms—do not receive much, if any, benefit from price support programs.

I know that smaller and smaller acreage allotments are tightening a noose around the neck of our cotton farmers, our tobacco



growers, our wheat and corn producers. Efficiency in many cases is bound to be crippled when cotton allotments are less than 15 acres—as 7 out of 9 allotments now are.

I know that land diverted from wheat and cotton has gone into sorghums, oats, and barley. I know that many corn producers are planting their 15 acres of wheat, as they can do without penalty. In 1956 wheat production in excess of allotments was about 100 million bushels. It was even higher in 1957.

Here in the Corn Belt, we should review the effects on our resources use of the present program. The basic crop acreage allotment program has resulted in the loss of corn markets amounting to hundreds of millions of bushels. Witness the expansion of grain sorghum and barely production on the acreage diverted from wheat and cotton. Witness the fact that this loss of markets to other feed grains meant a build-up in carryover stocks of corn—now estimated at 1.5 billion bushels on October 1, 1958. Witness the fact that under the Agricultural Adjustment Act of 1938 the increased carryover forced a cut in the allotments to levels so low that most farmers chose to ignore them.

Yes, I know, and you know, that corn producers can't live within their allotments—which is why only one-seventh of the corn produced in the commercial area last year was in compliance. These conditions pose a threat to hog producers—to the entire livestock industry—to poultry producers—to the dairy industry.

We all know that farmers are being hurt by the cost-price squeeze—by soft wage settlements—by rising prices of operating necessities.

Since 1950 gross farm income has gone up \$2.7 billion—but farm costs of operation have gone up \$3.7 billion.

From 1939 to 1952, the index of prices paid by farmers more than doubled. Since then, this index has risen 3 percent. But the damage was already done. These higher prices—higher costs—have hardened into the farm-cost structure.

I have always believed in good farm prices, good wages, and just profits. I also believe that the three go together; that when any of these gets out of line, it adversely affects the others. There is not any question that farm prices today are out of line with profits and wages.

It is not for me to say what labor or industry should do, but as a spokesman for agriculture, I will say that I am deeply disturbed by any action which adds one penny to the production costs of farmers at this time. There is an urgent need for statesmanship today on the part of labor and industry.

If farm people are to share equitably in the national prosperity we must have a redirection of resources in agriculture and that is the theme of this year's institute.

What are agriculture's resources? They fall into four categories.

The first and the greatest is our farm people with their spiritual ideals, their self-reliance, their vigor, their initiative.

Second, our natural resources—land, water and timber.

Third, man-made or man-developed resources—machines, chemicals, hybrids, improved techniques in production and distribution, and the many other offspring of research and information.

Fourth, agricultural products themselves—our abundance of dairy, livestock and poultry products, our fruits and vegetables, our corn, wheat, cotton, rice, and other commodities.

These are our agricultural resources. These are the bricks and stones out of which a great future for agriculture can, and will, be built.

We must direct these resources so that America's farm economy will expand as our population and economic capacity expand. We must have new achievements and these in turn will produce greater rewards.

We must recognize that economic problems cannot be solved with legislative blockades. Legislation must recognize economic realities.

Many of our difficulties today can be traced directly to policies which have attempted to keep agriculture in a legislative price-support, acreage-control straitjacket.

This dependence on rigid supports—on a form of guaranteed markets—on ever smaller allotments and quotas to fit shrinking demand—this is defeatism. This is submission to fear. This is following the path of least resistance.

We cannot make progress that way. That is the road to a government-dominated agriculture, a socialized agriculture.

More than a century ago the French philosopher and historian De Tocqueville, who knew so well the conditions of this country, wrote: "Democracy and socialism have nothing in common except one word—equality. But notice the difference, while democracy seeks equality in liberty, socialism seeks equality in restraint."

Was not that the pattern—equality in restraint—being forced on agriculture under rigid supports?

Here and now I pledge again to the farm people of America that we in the Department of Agriculture will continue to do everything that is sound and fair to bring about such a redirection of resources as will serve to make our agriculture more dynamic, more prosperous, and more truly free.

I have cited some of the gains we have made since 1953—and mentioned some of the problems that still exist. To deal with these problems we need to push forward again—we need to supplement the progress that has been made. That is the goal of the new farm food and fiber program presented to the Congress last month by the President of the United States.

Here is what the program is designed to do:

It will develop bigger markets, thus putting our abundance to good use.

It will allow farmers more freedom to use their productive resources.

It will push forward the necessary long-range conservation effort.

It will help the forgotten segment of agriculture—those people on small, low income farms.

We have lined up our sights so as to help agriculture recognize the basic economic realities and redirect into sound channels its four basic resources—its production, its techniques, its land and water, and its people. President Eisenhower spelled this out in his message to Congress in which he proposed an attack on the problem on four fronts.

First. The farm food and fiber program will help develop bigger markets. We are not content to allow agricultural abundance to pile up in Government storage. A Government warehouse is not a market.

Since 1953 surplus commodities costing close to \$12 billion have been moved out of the Commodity Credit Corporation inventory.

Aided by Government programs agricultural exports have risen to an all-time high. More than 60 percent of all our grain exports in the past fiscal year moved under Government programs.

Yet even while we were exporting more farm products under Government programs, sales for dollars were rising, too. In fiscal 1957 dollar sales of exported farm commodities rose \$700 million—to the second highest level in recent years.

The biggest element in our Government surplus disposal programs is the Agricultural

Trade Development and Assistance Act, commonly called Public Law 480.

This law was passed in 1954 and authorized the expenditure of \$1 billion over a 3-year period for surplus disposal activities. At the time there were plenty of "doubting Thomas" opinions—to the effect that we'd never be able to dispose of so much in so short a time.

Well, you will recall that the act was extended and expanded in 1956.

Now we are requesting a year's further extension with an additional appropriation of \$1.5 billion.

Our exported food is a tremendous ambassador of good will. No nation under heaven has ever been so generous with its abundance. These donations are helping the free world stay free. In spite of the efforts of these countries and the full use of our programs, however, there still remain large groups of people in many countries who are in need of food they cannot afford to buy.

Under title III, the Department is making further constructive use of our surpluses that remain after sales and barter through donation to United States voluntary agencies like CARE, Church World Service, Catholic Relief and other church groups for distribution to needy people overseas.

I visited some of these needy people—refugees in Hong Kong, Calcutta and Karachi with representatives of United States voluntary relief agencies. I cannot describe to you the heart-rendering scenes I saw in these camps. Our surpluses are filling a vacuum through feeding hungry people who cannot buy in the market and further helping to strengthen good will toward the United States in these countries. At the same time we are helping to buy time for many of these new governments in their struggle to fend off communism.

I should also mention the donations of food we make under Title II of Public Law 480 to friendly peoples abroad for relief of distress arising out of natural disasters. Just two examples might be mentioned. We donated \$12 million of food to Turkey to help feed people in an area stricken by floods, extreme cold weather, and a severe earthquake. We also have made large donations to the Government of Pakistan to relieve the suffering caused by floods of the River Indus.

I wish I could transfer to you the feeling of world oneness which such a trip inspires. Do you know, for example, that the school lunch idea has spread to Japan? I saw a thousand children eating a school lunch mostly of bread and milk produced on American farms. I saw mobile kitchens in Japan, kitchens mounted in buses. They are equipped with loudspeakers, and the Japanese housewives come around with their children strapped to their backs, to learn how to prepare bargain wheat dishes. And wheat and dairy products are now rapidly becoming important foods in Japan.

Our exported food is a tremendous ambassador of good will. It is helping the free world stay free. And our food exports—three-fifths of which are sold for cash—are helping solve our agricultural problems here at home, too.

I am proud and I think every American can be proud of this constructive use that is being made of the abundance of American agriculture. The sole purpose of production is consumption; certainly not storage in Government warehouses.

Besides extension and expansion of Public Law 480, we have urged that research into new uses and more effective marketing of farm products be increased. Since 1953, appropriations for agricultural research have been boosted 95 percent. It has been estimated recently that only about 7 percent of the products of our total farm acreage go into industrial outlets. Surely we can do better than this. Increased research can



develop new uses and new markets, and there are few things wrong with commercial agriculture that new and expanded markets won't go far to cure.

We have more than 500 projects underway in marketing research alone, plus a good many others in utilization research. They will pay big dividends in better markets in years to come.

Second. The farm food and fiber program will allow farmers more freedom to use their productive resources. We are seeking authority to increase acreage allotments as well as a revision of the price-support programs. Farmers must have more freedom to plant and to widen markets.

Agriculture cannot properly use its resources until it is freed from misdirected price supports and acreage controls—from supports that do not adequately support—from controls that cannot adequately control.

Such misdirected supports and controls not only undermine markets, they handicap efficiency. Small allotments on highly mechanized farms mean that large overhead costs have to be carried by fewer bushels or fewer pounds of products. As production decreases, cost per unit of production rises. No wonder it is second nature to farmers to produce abundantly. No wonder farmers want to make full economic use of their resources.

The average investment per farm worker has doubled, and then redoubled, in just 15 years. Here in the Corn Belt the average investment per farm worker is \$59,000—nearly 4 times the average investment by management per industrial worker.

Meanwhile, output has received a tremendous boost. Just since 1940, we have learned to grow a third more wheat per acre. Corn yields are up more than half. Cotton is up two-thirds. We now produce a third more beef per animal, and a third more milk per cow. The average hen is laying two-thirds more eggs.

We need authority to increase allotments of cotton, wheat, rice, peanuts, and tobacco up to 50 percent above the levels determined by existing formulas. Farmers must have more freedom to plant.

As for corn, acreage allotments should be eliminated. Most corn farmers simply cannot afford to live with them.

We would make price supports more realistic by widening the range of supports. The present range of 75 to 90 percent of parity on the basic crops and dairy products does not permit the growth of markets needed to absorb production. These commodities are pricing themselves out of their potential markets. Increased allotments and a wider range of price support logically go together.

We would eliminate the so-called escalator clauses, which provide that the level of price support shall rise as the surpluses decline. So long as this basic law is unchanged, farm people can expect to be kept continually under the shadow of price-depressing surpluses.

Far too much effort has been concentrated on parity of prices. It is income that farmers spend, not price—and income is price times volume minus costs.

Technological changes are increasing efficiency in agriculture at a tremendously rapid rate. These gains in efficiency do not proceed smoothly or in all segments of agriculture at the same time. And only to the extent that the effects of technological progress are allowed to be reflected in the most recent 10-year average of prices received by farmers, does the modernized parity take them into account.

There is no single formula, or group of formulas, that can satisfactorily be employed as the criterion for price support actions. As each of the prices received for the various commodities move up or down the prices

paid by producers fluctuate. These are indications that there have been shifts in the complex economic forces governing production, prices and consumption. The monthly parity prices only call attention to the changes which are happening. They neither indicate why a change has occurred nor what should be done about it.

Parity prices do not indicate what can be sold at satisfactory prices nor what price is needed to satisfactorily meet competition, either at home or abroad. Parity prices do not indicate how profitable farm production may or may not be, how much or how little farmers will produce. Programs which are economically sound, administratively feasible, and financially supportable simply do not flow from fixed formula calculations. Calling such calculations parity tells nothing more nor less than what was in the statistics and indexes from which the calculations were started.

Supply, demand, competition, and markets—all these are vital factors. To ignore them is not only uneconomical and costly; it runs directly contrary to the long-term best interests of the farmers.

Here in Iowa by far the biggest part of farm cash income comes from livestock and livestock products which are not price-supported. The so-called basic crops with mandatory supports bring in less than 15 percent of your cash farm income. Only a little over one-fourth of your cash income is derived from price-supported commodities of all kinds.

Third. The farm food and fiber program will push forward the necessary long-range conservation effort. We propose to strengthen the conservation reserve program of the Soil Bank and to terminate the acreage reserve program after the 1958 crop.

The acreage reserve was intended to get quick short-term results. The 1957 program succeeded in reducing wheat production by about 175 million bushels, cotton by about 2 million bales, and corn by about 225 million bushels below what it would otherwise have been.

Now we need to shift emphasis within the Soil Bank to the longer-term approach of the conservation reserve. Here we are aiming at overall production adjustment.

Such a shift in emphasis would aid some small farmers or to reduce their farming activities while devoting more time to other employment, who would be able to retire their entire farms from production if they wished. The program would also aid other farmers who elect not to participate. They would also benefit price-wise in the market place from sound production adjustments.

Just in passing, I might point out that more conservation practices have been applied to land these past 5 years than in any other 5-year period in our history. Water conservation and flood prevention have also been stepped up.

Fourth. The farm food and fiber program will help the forgotten segment of agriculture—those people on small, low-income farms. We have urged that the rural development program should be given increased emphasis.

The rural development program is the most important effort ever made in this country to raise the level of living in the underdeveloped areas of rural America. We know the corroding effects of living on marginal land, on farms too small or too poorly equipped to provide the essentials of a decent living.

We know from past experience the tremendous difficulties that obstruct efforts to improve opportunities in these underdeveloped pockets. The great problem has always been: "Where will the people go? What can they do?"

Under the Rural Development Program opportunities can be opened up—are being opened up. We know that education, tech-

nical information, and other essentials can be made available to help those people farm more effectively who want to stay on the farm full time.

We know that industry can be brought in to provide off-the-farm jobs. As industry expands in these areas, there will not only be a place for the under-employed, there will be a real need for them.

Already more than 350 new development projects in agriculture, forestry, marketing, industry promotion, health and vocational training are reported.

As this program moves into high gear, the long-needed redirection of human resources in underdeveloped rural areas will give great numbers the opportunity to get a fresh start under better conditions.

Bigger markets—more freedom for farmers to produce—sound conservation and production adjustment—special help for those on small low income farms—these are some of the steps which would be taken under the Farm, Food, and Fiber Act of 1958 to help farmers redirect agricultural resources into more useful, profitable channels. We feel certain they are sound, effective and reasonable, and they will work to provide the Four Freedoms farmers want:

More freedom to plant.

More freedom to market.

More freedom to meet competition.

More freedom from government interference.

In nation after nation we have seen government move in or on more and more of the production and marketing of farm commodities. The role of farmers themselves in managing their affairs and making their own economic decisions has been minimized. There is the greatest danger to the private enterprise system in this steady encroachment of government programs.

If our farmers are successfully to protect their future against the rising costs of farm production, and against the increasing costs of distribution of their own products—if they are going to get on top, and stay on top, of their own business—if they are going to mobilize their strength to bargain on an equal basis with highly organized industry and labor—if they are going to keep government from controlling and managing the farm business—they will have to appreciate the fact that what they do for themselves is far more important than what government can do for them.

This is not just another nation—it is not just one of the family of nations. This is a nation with a great mission. I believe with all my heart that it was established by the God of Heaven to be a beacon to liberty-loving people everywhere. Let us pledge ourselves to preserve in it the full measure of our traditional freedom, that our children—and our children's children in the distant tomorrow—may enjoy the blessings which we enjoy so richly today.

Let us not fear to face facts. May it never come to pass that we lose the vision—the self-reliance—the pioneer spirit which built this great Nation. Let us further develop our agricultural resources, all of them, so as to make the most of present and future opportunities—so that our agriculture, under God, can be expanding, prosperous and free.

Mr. MARTIN of Iowa. Mr. President, on March 3, Secretary Benson spoke at Minneapolis and again received an enthusiastic reception. As a reference for the remarks I wish to make today, I would like to quote three paragraphs of the Secretary's Minneapolis speech dealing specifically with corn, which is a crop of great value to Iowa, Minnesota, Illinois, and other adjacent States. The Secretary said:

Let me make one point clear. Contrary to myths peddled by some, the level of these allotments are determined by statistical



formulas spelled out in the Agricultural Adjustment Act of 1938. I know that these acreage allotments are too low. That is why we are trying to get the law changed. Also, that is why for the first time in history in 1956 and again in 1957, we made supports available for corn grown outside the allotments.

The basic crop acreage allotment program has resulted in the loss of corn markets amounting to hundreds of millions of bushels. Witness the expansion of grain sorghum and barley production on the acreage diverted from wheat and cotton. Witness the fact that this loss of markets to other feed grains meant a buildup in carry-over stocks of corn—now estimated at 1.5 billion bushels on October 1, 1958. Witness the fact that under the agricultural adjustment Act of 1938, the increased carry-over forced a cut in the allotments to levels so low that most farmers chose to ignore them.

Yes, I know, and you know, that corn producers can't live within their allotments—which is why only one-seventh of the corn produced in the commercial area last year was in compliance. These conditions pose a threat to hog producers—to the entire livestock industry—to poultry producers—to the dairy industry. That is another reason why we are seeking changes in the program.

There is no question but what the traditional Corn Belt has suffered much from the outmoded farm program dating back to the late thirties. Farmers in my State of Iowa have watched their competition grow throughout the country as acreages were diverted from cotton, tobacco, and wheat because of farm programs that lost markets and that diverted crops into storage instead of consumption.

The corn area has been dispersed throughout the country because many farmers who could better grow cotton or tobacco have had their acreage of those crops so seriously restricted that they had no other choice than to plant other crops, such as corn. As Secretary Benson points out, Winston-Salem, N. C., was once the largest exporting market in the world but southern Rhodesia now claims that distinction. In addition, we have lost 60 percent of our world cotton market by placing cotton in Government warehouses instead of selling it abroad.

Only 20 years ago, the commercial corn area included 566 counties in 12 States. Now it includes 932 counties in 26 States. The facts are that acreage controls failed to curtail agricultural production. The corn program has failed as evidenced by the fact that in December 1956, 62 percent of the corn farmers who voted in the referendum favored elimination of corn acreage allotments. Only about one-seventh of the corn producers in the commercial corn area during 1957 complied with the program and were eligible for the full price support.

Corn producers cannot live within the restrictions of the present acreage allotments. This is one of the key points of the administration's program—elimination of acreage allotments for corn.

This issue basically boils down to a question of whether we will adopt the program proposed by President Eisenhower, which accepts the need for Government price-support operations above a specified floor but provides flexibility for them above that floor, and would re-

lax the strict controls by which farmers are told how much they may plant; or whether we will continue the Democrat program with its astronomically mounting costs to the Federal Treasury and its failure to bring any stability to our agricultural economy.

Some Democrat opponents of the Eisenhower farm program went into Iowa recently and delivered a scathing attack on that program and voiced highest praise for the rigid high price support program enacted by Democrat-controlled Congresses. They omitted any mention whatsoever of several factors which put an entirely different and far more realistic, light on the problem.

They ignored the fact that under Democrat presidents, the outbreak of war twice prevented a collapse of the Democrat farm program under the weight of accumulating surpluses and mounting costs. I am sure that they would agree that the horrors of another war would be too great a price to pay for saving the high price support program.

Some Democrats have tried to place on Republicans the blame for the failure of Congress to enact corn legislation. But it is their own party which has been in control of Congress for the past 3 years and which has consistently refused to pass a corn bill acceptable to President Eisenhower. The Democrats have the votes to pass such legislation any time they care to, but they are fighting our President in every way possible; they refuse to give him a chance to try the program he deems best; they refuse to admit their own program is costly beyond belief and is failing to do the job.

Critics of President Eisenhower claim that farm commodity prices have failed to reach adequate levels in free markets which the Eisenhower program seeks to restore in place of government-regimented prices and controls advocated by the Democrats. Conveniently, they fail to mention that the average price of all hogs sold in Chicago last year was \$17.80 per hundredweight, higher than the average such price for any month in the entire F. D. R. administration; or that the average price of beef steers of all grades sold in Chicago last year was \$23.48, likewise higher than the average such price for any month under Roosevelt. Let us remember that under the Truman administration, prices twice were boosted by war demand. These hog and cattle prices, of course, are tremendously important to Iowa, since nearly 75 percent of Iowa's vital corn production is fed to hogs and beef cattle, and almost all of it in Iowa.

Partisan campaigners who go into Iowa from distant places to attack President Eisenhower on the farm front, must be fair if they are to be effective.

Omission of such pertinent and important facts is most unfair. Iowa farmers are far smarter than the critics of President Eisenhower credit them with being.

The administration's program which will mean great progress in three general areas:

First. The development of bigger markets. This can and will be done through recommended extension of the surplus

disposal program, and expansion of research into new uses for farm products.

Second. Provision of more freedom for farmers. This would be done by revision of the acreage control and price-support programs to permit farmers more freedom to plant and to develop more markets for the use of our surplus farm commodities.

The technological revolution in agriculture is underway and there is no way to stop it or reverse it. We wouldn't want to stop it even if we could, because the efficiency and production of American farmers are major factors which made this Nation grow and prosper through the years.

Third. The administration's farm program deals with the specific problems confronting agriculture, including those people residing on small, low-income farms.

The principles of the administration's proposed farm food and fiber bill will restore agriculture to a sound basis and enable all farmers of this Nation to make the most of their opportunities and use Government only as a hired man to help do the job where necessary, rather than to allow Government to dominate the operation of their farms and to restrict their productive potential.

I wish I had another 2 weeks' record of the poll I am making throughout the State of Iowa; but the poll has been only half completed at this time. The poll was distributed to every 20th householder according to the directories throughout the State of Iowa. No questions were asked about political affiliation. No questions were asked about economic status. I asked only to have the householders state their occupations.

I have received some surprising answers to the farm questions from the farmers who in the poll reported themselves to be farmers. In about 2 weeks I shall have that poll completed.

I simply call attention to one question which I asked in that poll, which is as follows:

Do you approve supports for the basic crops and dairy products at 60 to 90 percent of parity with guidelines as used for other commodities?

Mr. President, the answer to that question at the grassroots, by the farmers themselves, is quite different from that which I have heard given around the corridors of the Capitol.

I am not at liberty as yet to release the figures received in the poll. To do so would be unfair to those who have not yet voted. They have 4 weeks in which to vote. But I will submit the figures to the Senate in complete detail when the poll has been completed.

Those figures demonstrate to me that the so-called revolution of the farm group in Iowa is more a figment of the imagination than is proclaimed otherwise so loudly in the halls of Congress.

I ask Senators to go to the grassroots, take a poll such as I am taking, and ask a similar question of every 20th householder in the State. Then see what the answer is before coming to a firm conclusion as to who has the highest percentage in the matter of the program which is advocated.



Mr. DIRKSEN. Mr. President, I yield 10 minutes to the distinguished senior Senator from Minnesota.

Mr. THYE. Mr. President, I want it to be understood that I am in complete support of Senate Joint Resolution 162. I endeavored in the committee to have the resolution reported at the earliest possible time. It is imperative and necessary that the Senate act favorably on the resolution this afternoon. It is necessary so as not to permit anything to happen which would weaken the buying power of the farmers. The farmers are needed as customers for the output of industrial concerns, whether from wholesale houses, processors, or industrial plants. It is necessary to have an increased stimulation in the economy if a further increase in unemployment is to be staved off.

An old Chinese proverb goes something like this:

Look back, that you have wisdom to intelligently look forward.

I need only look back to the 1920's to find the answers to the contentions of those who charge that the price supports are the evil things which have brought about the commodity surpluses in our land.

I need only to look back into my early life, when, as a young veteran, home from World War I, I rented a farm and commenced farming, to know what the situation is today. It is exactly the same today as it was in that day.

In those days there were no controls. At that time there were no price supports. As I look back, I can almost hear verbatim some of the same statements which have been made in the Senate today. We need only to read the RECORD of the late 1920's and the early 1930's.

Read them, Mr. President. (Mr. LAUSCHE in the chair.) You are a distinguished, intelligent man, representing the great State of Ohio. Read some of the arguments concerning the McNary-Haugen bill. You will find almost the same arguments and the same remarks. But at that time there were no price supports. There were no incentives, as they are oftentimes referred to. Still, there were surpluses; and they were in such large amounts that dairymen delivered their products on the streets of Minneapolis and St. Paul, oftentimes at a price of less than \$1 a hundredweight.

The price today is \$3.25 a hundredweight, only because supports are holding the price at that point. But in the 1920's there were no supports, and the price often dropped below \$1.

I was one of those who hauled hogs to South St. Paul. Hogs weighing more than 200 pounds often did not net the farmer \$5. Why?

The price of grain had become very cheap. Oats were selling for 8 or 9 cents a bushel; corn, at 12 cents a bushel. Corn would not buy as much heat in the form of coal as it would furnish in the heater in its own form. Large amounts of corn were burned as fuel in the heaters of the Midwest. I do not want to see a recurrence of that condition. I do not want the youth who have re-

turned from World War II or the Korean war to be compelled to experience the economic conditions which prevailed in the late 1920's and the early 1930's. I do not want to see the economic condition become so tight as to squeeze them to such a point that they will have to liquidate their assets.

I saw many farmers in the early 1930's threatened with financial liquidation. Many of them were liquidated, and more would have been had it not been for the efforts of some Members of Congress at that time who were responsible for the enactment of what was known as Commissioners' loans. They were loans which were used as second mortgages behind the Federal Land Bank loans.

When that act was passed, it was possible to stop many foreclosures. Numerous foreclosures were publicized across the entire Midwest.

I was the appraiser for the Federal Land Bank. I was asked to leave my farm to help mortgagees keep ahead of the sheriff's sales. I appraised for the St. Paul Bank. I was in the heartland of the best productive area in the central part of the United States, in Minnesota, appraising in the dead of winter, in order to stop foreclosure sales.

Mr. President, this is why I am arguing today, as I have done before, in behalf of farm price supports. I need only look back into my memory of yesterday. I recall those wise words of the Chinese proverb:

Look back, that you have the wisdom to intelligently look forward.

That is why I plead for a floor under some of the farm prices. That is why I have pleaded for an orderly method of retiring land from harvest and production. I know that if there were acreage controls on wheat, cotton, and corn, and that acreage were tied down, it would simply be driven from one crop into another.

I advocated a soil bank for the dust bowl in the Southwest long before it was accepted by the Department of Agriculture. Why? I knew it was necessary to curtail the acreage, because only in that manner could production be reduced.

In the late 1920's and early 1930's, there was no use for commercial fertilizer. There were no machines equipped to spread it. The farmers had only a limited knowledge of its use or the experience with it. They loaned machines back and forth, among themselves, in order to put a few pounds of commercial fertilizer into their corn-producing land. They had no knowledge of hybrid seeds. Yet the production of those years brought about surpluses which depressed the market, as indicated by the figures to which I have already referred.

Mr. President, the Soil Bank, the acreage-reserve program, and the consumption provisions constitute the only intelligent manner of reducing the overall production of our soil. Public Law 480 is another wise step in connection with the endeavor to sell the supplies of American agricultural commodities which today are referred to as "the surplus."

Mr. President, the freeze now proposed must be enacted into law if the farmers of the Nation are to be saved.

The present drop in farm commodity prices cannot be permitted to continue; if it does continue, it will have a further adverse effect on the buying power of the farmers, and thereby will decrease the business of the wholesale houses and the output of the factories.

Mr. President, the State so ably represented by you—Ohio—is a great industrial State. The industries of Ohio depend upon the purchasing power of the farmers in the Midwest for the sale of the output of the factories. The steel factories in the Pittsburgh area depend in part on the sale of combines and tractors in the farm areas of the country.

Let all Members of the Senate consider the situation which existed in the early 1930's, in order to ascertain whether the supports have brought about the production which has been experienced. The production has been due to the educational programs of the Agricultural Extension Service, based on the activities of the State and county agents; and, above all, the production has been due to the initiative of the American people—initiative which they inherited from the pioneers who left old Europe and crossed the vast ocean to this great land. All of us have inherited that drive from our parents. Most of us are one or two generations removed from the pioneer stock. It is from that stock that we have inherited our drive and our initiative to produce. Let them not be stifled by the existence of depressed prices—so that the young people are driven off the farms and are forced to seek employment in the cities—where in many cases they would have to go on the unemployment rolls.

Mr. President, I speak now, not on the basis of statistics, but on the basis of my memories of yesterday, when, as a young member of a farm family, I worked on the land during the early 1920's and 1930's.

May the Members of Congress have the wisdom to establish this floor and keep it in effect until something better has been developed and perfected.

Mr. President, I ask unanimous consent that a statement showing what Congress has done, under Public Law 480, with respect to the surpluses be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

#### PUBLIC LAW 480

Let us examine these areas of agreement more carefully. I cosponsored Public Law 480 and have introduced a bill for its extension, because it places American surplus into the hands of people who need it—because it has become an effective supplement to our foreign-aid program—and because it places our surpluses in a position to play a vital role in our destiny as a world leader for the cause of freedom and decency. Under the provisions of this law up to September of 1957 the United States had actually shipped 10,800,000 pounds of butter and butter oil valued at \$4,776,000 in trade with other nations. We have shipped over 14 million pounds of powdered milk at a value of nearly \$2 million. We have shipped 183,638,000 pounds of lard at a value of over \$23 million. This helps to explain why the price of pork has held more firm than in past years. We have also disposed of cottonseed oil, pow-



dered milk, and peanuts for oil under the barter provision of Public Law 480. In the area of international donations, we have shipped out over 325,400,000 pounds of butter and butter oil in an amount of over \$225,500,000. Over 1 billion pounds of powdered milk in the amount of \$220,400,000 has been disposed of through the donation provision. In addition, we have donated 71,400,000 pounds of cottonseed oil valued at over \$17 million. This record demonstrates surplus products are being disposed of to the benefit of American agriculture and to the benefit of those who have received these products.

Let me give you some figures about agreements under Public Law 480 which were released at that hearing. These figures related to agreements, whereas the figures I gave you before pertained to actual shipments.

The agreements already signed provide for the shipment of 550 million bushels of wheat, 3 million bales of cotton, 25 million bags of rice, 1.8 million pounds of vegetable oils, 133 million bushels of feed grains, 175 million pounds of tobacco, 150 million pounds of meat, 225 million pounds of lard, 162 million pounds of dairy products, 197 million pounds of fruit and vegetables, as well as other commodities.

In 1955-56, the first full year of operation of title I, foreign currency shipments totaled \$427 million at export market value, or 12 percent of total United States agricultural exports. During 1956-57 title I shipments amounted to \$900 million, nearly 20 percent of the recordbreaking \$4.7 billion total achieved.

Agreements signed to date will result in foreign currency payments of more than \$2.5 billion. About 60 percent of the total will be used for economic development purposes in importing countries, about 10 percent will be used to support the defense forces of our allies, and the remaining 30 percent is planned for meeting United States expenses overseas and expanding certain United States programs.

The bulk of the commodities included in these agreements has already been exported and the increase in title I shipments from year to year has been one of the major factors leading to the rise in our total agricultural exports. In 1954-55 our agricultural exports had a market value of \$3.1 billion. Title I shipments were small that year accounting for 3 percent of the total. In 1955-56 our agricultural exports rose to \$3.5 billion. Title I accounted for 12 percent of the total. In 1956-57, the year ending last June 30, agricultural exports rose to an all-time high of \$4.7 billion. Title I shipments made up almost 20 percent of the total, or about \$900 million.

The rise in total exports was the principal reason that last year the direction of surplus accumulations was reversed. During 1956-57, CCC investment in price support commodities declined almost \$1 billion with the principal reductions being in wheat, cotton, and rice, commodities for which there were heavy movements under the title I program.

Public Law 480 is the type of program which permits this Nation to use its surpluses in three ways: (1) As an export commodity, (2) as a humane program for the relief of hunger, and (3) as a defense asset.

In Spain we took monetary earnings from our grain exports and used them to pay for air-base construction. We have taken prefabricated housing and labor from Finland to bolster our NATO allies in return for grain shipments.

It is a program which is winning friends for the United States through a benevolent approach. It is more effective than all of the armaments we could parade before hungry people in a troubled world. I ask your support for the efforts of myself and others

in both political parties who call for its extension.

The PRESIDING OFFICER. The time yielded to the Senator from Minnesota has expired.

Mr. HICKENLOOPER. Mr. President, I yield 5 minutes to the Senator from Delaware [Mr. WILLIAMS].

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). The Senator from Delaware is recognized for 5 minutes.

Mr. WILLIAMS. Mr. President, last Thursday, March 6, the Senate Agriculture Committee voted out the following bills all of which I feel are detrimental to the best interest of agriculture:

First. Senate Joint Resolution 162, provides that for an indefinite period no price support or acreage allotments shall be established below the 1957 levels.

Second. S. 2913 would increase corn allotments for 1958, 1959, and 1960 to 54 million acres, at a price support of not less than 75 percent of parity, and would require 15 percent participation in the Soil Bank in order to receive the price supports. There are no similar requirements for other feed grains.

Third. Senate Joint Resolution 163 would force the Secretary of Agriculture to support milk and dairy products for an indefinite period at levels above those provided in the current law, and at not less than the dollar-and-cents level for 1957.

In the light of certain available facts, it is difficult for me to understand this action of the committee.

For almost one-quarter of a century we have been attempting, through price-support and adjustment program, to control agricultural production in order to increase the income of the farmers, when, as a matter of fact, the price-support and adjustment programs have had very little to do with the net income of farm families since most of the prosperity since 1940 in agriculture can be directly attributed to war.

I think we need to remind ourselves again about the costs of these programs that have failed so miserably.

I shall insert in the RECORD at a later point figures, released by the United States Department of Agriculture, dealing with the cost of this program. They are broken down, commodity by commodity, any year by year. I think it is necessary for the Members of the Congress to have these facts before them.

In placing this information in the RECORD, it is not my intention to be critical of the operations of these programs, because I feel sure that no Secretary of Agriculture can administer the hodgepodge of laws that the Congress has been able to enact during the last 25 years.

The Senate is now being asked to consider, based on the action of the Senate Agriculture Committee, proposals designed to freeze commodities in their present pattern and to perpetuate further the cost to the Federal Treasury, without correcting any of the economic problems of agriculture.

Mr. President, mention has been made, today, that the pending joint resolution

is only a stopgap measure. On the contrary, Mr. President, the pending joint resolution is not a stopgap measure; instead, it will be—if enacted—a permanent piece of legislation, and it will remain on the statute books until it is definitely repealed or supplanted by another act of Congress.

This proposed freeze of support prices on all agriculture crops will likewise increase the feeding costs of those farmers buying these feeds for more than any advantage they will gain as a result of the higher support on dairy products.

I submit, Mr. President, that the continuation of these programs not only will fail to solve the agricultural problem but also will be doing a great disservice to agriculture.

Our American farmers do not want to return to a program involving a "strait jacket" of controls, nor do they want an agriculture program that is designed on the theory that every few years we need a war to bail out our surpluses.

The return to the high support programs and rigid controls accompanying such a policy will inevitably further accelerate the trend toward absentee ownership and operation of our farms.

This policy of high supports and strict acreage controls accompanying such policies will destroy the individual family-type farmer, who will be unable to maintain the necessary equipment to utilize his restricted acreages. He will be forced to sell out or consolidate with the larger operator.

I ask unanimous consent to have printed at this point in the RECORD a tabulation showing the 1957 costs and benefits of our agriculture support program, broken down by States.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

(170,333,000 population—cost \$3,255,000,000—\$19 per person cost)

State	Benefits	Cost	Gain (+) or loss (-)
New York.....	\$49,478,000	\$301,872,000	-\$252,394,000
Pennsylvania.....	48,168,000	209,817,000	-161,649,000
Ohio.....	89,200,000	174,800,000	-85,600,000
Indiana.....	92,680,000	86,127,000	+6,553,000
Illinois.....	154,780,000	183,103,000	-28,323,000
Michigan.....	63,844,000	148,257,000	-84,413,000
Wisconsin.....	76,050,000	73,378,000	+2,672,000
Minnesota.....	109,800,000	63,100,000	+46,700,000
Iowa.....	127,000,000	53,180,000	+73,820,000
Missouri.....	96,200,000	80,845,000	+15,355,000
North Dakota.....	139,400,000	12,236,000	+127,164,000
South Dakota.....	70,200,000	13,338,000	+56,862,000
Nebraska.....	127,200,000	27,583,000	+99,612,000
Kansas.....	123,550,000	40,584,000	+82,966,000
Maryland.....	8,300,000	55,000,000	-46,700,000
Virginia.....	15,200,000	72,143,000	-56,943,000
North Carolina.....	37,950,000	85,462,000	-47,512,000
South Carolina.....	29,282,000	45,030,000	-15,748,000
Georgia.....	50,200,000	71,800,000	-21,600,000
California.....	189,650,000	264,518,000	-74,868,000
Florida.....	5,996,000	77,862,000	-71,866,000
Kentucky.....	20,740,000	57,760,000	-37,020,000
Tennessee.....	51,715,000	65,797,000	-14,082,000
Alabama.....	49,648,000	59,869,000	-10,221,000
Mississippi.....	38,500,000	41,500,000	-3,000,000
Texas.....	352,135,000	173,622,000	+178,513,000
Colorado.....	43,832,000	31,787,000	+12,045,000
Oklahoma.....	66,900,000	43,263,000	+23,637,000
Montana.....	82,339,000	12,654,000	+69,685,000
Idaho.....	51,715,000	12,160,000	+39,555,000
Washington.....	77,660,000	51,718,000	+25,942,000
Oregon.....	32,550,000	33,611,000	-1,061,000
Arkansas.....	122,529,000	33,592,000	+88,937,000
Arizona.....	59,800,000	21,684,000	+38,116,000
Louisiana.....	70,300,000	58,292,000	+12,008,000
New Mexico.....	18,900,000	15,770,000	+3,130,000

NOTE.—Based on State production.



State	Benefits	Cost	Loss
Wyoming.....	\$4,639,000	\$6,004,000	\$1,665,000
Utah.....	4,603,000	16,169,000	11,566,000
Maine.....	2,100,000	17,917,000	15,817,000
New Hampshire.....	1,135,000	10,868,000	9,733,000
Vermont.....	5,300,000	7,144,000	1,844,000
Massachusetts.....	2,460,000	92,454,000	89,994,000
Rhode Island.....	378,000	16,378,000	16,000,000
Connecticut.....	2,270,000	42,788,000	40,518,000
New Jersey.....	3,400,000	106,913,000	103,513,000
Delaware.....	563,000	8,322,000	7,754,000
West Virginia.....	2,460,000	37,544,000	35,084,000
Nevada.....	265,000	5,073,000	4,808,000

NOTE.—Based on State production.

The farm program cost the taxpayers of the United States \$3,252,400,000 in 1957. With a population of 170,333,000 people, the farm program would cost \$19 per person.

Products:	Losses
Wheat.....	\$827,300,000
Cotton.....	641,200,000
Corn.....	489,100,000
Dairy.....	378,500,000
Rice.....	152,700,000
Peanuts.....	18,700,000
Wool.....	66,700,000
Grain sorghums.....	26,100,000
Soybeans.....	15,000,000
Barley.....	26,600,000
Oats.....	25,600,000
Beef.....	32,900,000
Pork.....	6,900,000
Beans.....	16,600,000
Eggs.....	16,000,000
Hay.....	17,400,000
Rye.....	5,400,000
Tallow.....	5,500,000
Lard.....	1,500,000
Interest.....	326,000,000
Other costs.....	145,600,000
Miscellaneous.....	14,100,000

Total.....3,255,400,000

The States which would benefit most are the States producing the most wheat, cotton, corn, dairy products, and rice.

Therefore, 20 States get more money back from the farm program than their taxpayers pay in. But in 28 States the taxpayers pay in more money than their farmers receive.

Mr. WILLIAMS. Mr. President, I also ask unanimous consent to have printed in the RECORD a table showing how, under the high support programs, the per capita consumption of butter has declined during the last several years, and also showing how the per capita consumption of oleo, a substitute for butter, has increased during the same period of time.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

*Per capita consumption of milk, butter, and margarine, United States 1940-57 and estimated 1958*

[In pounds]			
Year	Fluid milk and cream	Butter <sup>1</sup>	Margarine <sup>1</sup>
1940.....	331	17.0	2.4
1941.....	334	16.1	2.8
1942.....	354	15.9	2.8
1943.....	371	11.8	3.9
1944.....	381	11.9	3.9
1945.....	399	10.9	4.1
1946.....	389	10.5	3.9
1947.....	369	11.2	5.0
1948.....	355	10.0	6.1
1949.....	352	10.5	5.8
1950.....	349	10.7	6.1
1951.....	352	9.6	6.6
1952.....	352	8.6	7.9
1953.....	317	8.5	8.1

*Per capita consumption of milk, butter, and margarine, United States 1940-57 and estimated 1958—Continued*

[In pounds]			
Year	Fluid milk and cream	Butter <sup>1</sup>	Margarine <sup>1</sup>
1954.....	348	8.9	8.5
1955.....	352	9.0	8.1
1956.....	355	8.7	8.2
1957.....	356	8.5	8.6
1958 (estimate).....	355	8.6	8.6

<sup>1</sup> Actual weight basis.

Mr. WILLIAMS. Mr. President, I believe this point should be emphasized because unquestionably under the high support programs the Congress has been underwriting an expansion of the sale of synthetic fibers—both cotton and wool—to the detriment of the American farmer; and at the same time the Congress has been permitting a substitute for butter to take the place of the butter produced by the American farmers.

I hope the joint resolution will—in the best interest of American agriculture—be defeated.

The PRESIDING OFFICER. The time yielded to the Senator from Delaware has expired.

Mr. SYMINGTON. Mr. President—

Mr. ELLENDER. Mr. President, I yield 8 minutes to the Senator from Missouri [Mr. SYMINGTON].

The PRESIDING OFFICER. The Senator from Missouri is recognized for 8 minutes.

Mr. SYMINGTON. Mr. President, several days ago I presented to the Senate that when I came to the Senate in January 1953, the distinguished senior Senator from Georgia [Mr. RUSSELL] stated that the farm population of the United States had dropped to 13 percent of the total population, and that that farm population then received but 6 percent of the total national income.

Recently I looked up the present figures and have found that, as a result of the management of this administration, the farm population has now decreased to 12 percent of the total population; and that 12 percent is receiving only 3.2 percent of the total national income.

In other words, Mr. President, and these are the facts under the present agriculture administration, there has been, during the past 5 years, a decline of almost 50 percent in the percentage of our national income received by American farmers.

In recent weeks, Mr. President, considerable concern has been expressed about the continuing decline in the economic activity of the country. This concern is understandable when one considers that over 5 million people are unemployed; and also that many of our major industries are operating far below their capacity.

Many leaders of government, business, labor, and agricultural groups have urged that steps be taken by the administration to check this condition, and to restore stability to our economy.

Lest we forget, the farm segment of our economy has experienced 5 years of

depressed economic conditions, whereas the remainder of our people have not.

Statements have just been made that this joint resolution, introduced in an effort to prevent further planned reductions in the price support or acreage allotment levels, was considered hastily and has been ill considered. I do not believe an examination of the facts would support that statement.

During this same period, instead of taking actions to remedy the situation, this administration has persistently pursued a policy that could only result in further reducing farm income.

Since 1952, this decline has amounted to 20 percent.

As a result, family farm purchasing power is at its lowest point since 1940.

In conformity with the often expressed a la ge that economic trouble is invariably "farm led and farm bred," this farm recession is now spreading to other segments of the economy, and growing unemployment is causing increased concern.

Despite these facts, this administration continues to work for even further reductions in farm income.

There is little amusement in the fact that some who work so hard for other segments of our economy, trying to get special privileges for those segments they support, from the Government, must now realize that this farm-bred and farm-led recession is spreading to the small towns, and even now to the large cities; and other segments of the economy which are treated with so much deference on the floor of the Senate as against the farmer are beginning to suffer too because of the way the farmer has been treated in recent years.

In 1932 I was manufacturing farm implements, and know what happens, not just to the farmer, when his income is arbitrarily reduced, as it has been in recent years, but to all business.

Unless action is taken now by the Congress, price supports on dairy products will be further lowered 10 percent, effective as of next April 1. It is estimated this cut will take an additional \$250 million annually from the dairy farmers' income.

Missouri dairy farmers alone will lose over \$9 million if the action is not stopped.

Many of Missouri's dairy farmers, either individually or through their organizations, have protested the announced price support reduction. They find it impossible to understand the reasons behind the action.

Secretary Benson constantly reiterates that lower price supports provide less incentive for increased production. This has been the basic theory of his administration of the Department of Agriculture, and nothing could be more incorrect.

This theory has not worked in the past and will not work in the future.

The idea that a dairy farmer can swing from milk production into grapefruit production, as a man can swing from United States Steel to Continental Can on the stock exchange, is absurd on the face of it.



A dairy farmer, with heavy investment in high-producing cows, a milking parlor, silo, and other equipment, has but one choice when his price is further reduced. He must increase his production instead of reducing it, in order to meet his fixed costs and, therefore, avoid bankruptcy.

Cash receipts from marketings of milk were the same in 1957 as they were in 1952—\$4.6 billion. Because of price reductions in that period, however, farmers had to increase their milk marketings by 15.3 billion pounds in order to receive the same gross income.

Obviously, under those circumstances, their net profit was far less than before.

In announcing this further price cut, the administration stated that the reduction in farmers' prices would be reflected in lower retail prices of one-half cent a quart for fluid milk.

But this has never been the result of support-price reductions in the past. Even if it were, it is unfortunate that those who are supposed to represent the farmers would justify a 10-percent reduction in the price-support rate on the grounds consumer retail prices would be reduced 2 percent.

In behalf of the dairy farmers of Missouri and the Nation, I have joined with many of my colleagues in the sponsoring of legislation to prevent this reduction in the dairy price-support level.

Our bill, S. 2924, together with the self-help plans, will be considered by the Senate Agriculture Committee in working for long-term legislation.

Mr. President, the Sanitary Milk Producers is a cooperative association of some 5,000 dairy farmers producing milk for the St. Louis market.

On February 18, 1958, Mr. Russell Spaulding, general manager of this association, appeared before the Dairy Subcommittee of the House Agriculture Committee.

The statement Mr. Spaulding presented to that committee represents the thinking, not only of the dairy farmers in his association, but also of many others throughout the State of Missouri. I ask unanimous consent that Mr. Spaulding's statement be inserted at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF RUSSELL E. SPAULDING, GENERAL MANAGER, SANITARY MILK PRODUCERS, ST. LOUIS, MO., BEFORE THE DAIRY SUBCOMMITTEE OF THE HOUSE AGRICULTURE COMMITTEE, FEBRUARY 18, 1958

My name is Russell E. Spaulding. I am the general manager of Sanitary Milk Producers, 2208 Washington Avenue, St. Louis, Mo.

Sanitary Milk Producers is a cooperative association of dairy farmers, most of whom produce milk for the St. Louis market.

There are about 5,000 dairy farmers supplying St. Louis and suburban markets with fluid milk, and approximately 147,000 farmers in Illinois and Missouri producing milk and cream for sale.

Our members reside in 25 of the 101 counties in Illinois, and in 59 of the 115 counties in Missouri. The numerical distribution in the two States is about half and half.

Sanitary Milk Producers is opposed to the Secretary's action reducing the price support

level for manufacturing milk. We endorse the short-range emergency legislation proposed in bills to prevent the Secretary's action, and to define by law a dependable formula for establishing a parity equivalent price for manufacturing milk.

At this point, we wish to state also that we support the long-range proposal for a self-help program as sponsored by the National Milk Producers Federation, with whom we are affiliated, and, by the National Grange. We are referring to H. R. 10043.

We realize that action cannot be taken to effectuate the self-help plan by April 1, 1958. We believe it is imperative, therefore, not only to continue the price-support program until the self-help plan can be put into operation, but also to prevent the Secretary from lowering the price-support level April 1. We endorse the bills that have been introduced to provide a stable parity equivalent formula and a price-support level of \$3.50 for manufacturing milk. Unless this legislation is passed, dairy farmers in Illinois and Missouri, as well as other sections of the Nation, will face further economic hardships.

In 1957, a total of 703 million pounds of milk was utilized in the St. Louis, Mo., market. The prices received for that milk were considerably lower than in 1956. In 1956, the price for class I, or bottled milk, was \$4.62 per hundredweight. In 1957, it was \$4.26 or 36 cents per hundredweight less. Our class I milk represents about 79 percent of our total utilization. Therefore, our uniform or blend price was 33 cents per hundredweight less in 1957 than in 1956.

The decision of the Secretary to reduce the price-support level for manufacturing milk to \$3.03 will further reduce all our prices by 22 cents per hundredweight, because fluid milk prices in St. Louis are directly related to manufacturing milk prices.

If the Secretary's action is allowed to stand, by the end of the 1958-59 marketing year, these reductions will reduce our income from 1956 by at least \$3.9 million. The further prospect of an additional reduction of 65 cents per hundredweight, if and when the President's recommendation authorizing a price-support level at 60 percent of parity is effectuated, can only result in chaos for the St. Louis market.

If the price-support level is reduced to \$3.03 (which the USDA claims is 75 percent of parity) the St. Louis uniform price will drop 22 cents per hundredweight. A reduction to \$2.38 (which the USDA claims is 60 percent of parity) would result in about a 21 percent drop.

We have estimated the loss of income, based on 1957 production, that dairy farmers in Illinois and Missouri can expect to face if the price-support level is reduced 22 cents April 1, and to 60 percent of parity.

Illinois farmers will lose about \$12 million in the drop to \$3.03, and an additional \$34 million if the level is subsequently dropped to \$2.38, or a total of \$46 million.

Dairy farmers in Missouri can expect to lose \$9 million at \$3.03, and an additional \$26 million at \$2.38, or a total of \$35 million.

We are convinced that such losses will not only bankrupt many farmers, but will wreck overnight producer cooperatives that took a generation and more to organize and to build. If these conditions materialize, and we cannot see how they can be avoided if the intentions of the President and the Secretary are carried out, it would be impossible to prevent a recurrence of the violence, misery and waste that the St. Louis market experienced during the bitter strike of 1934.

Since 1948, our national surplus as a percentage of total production has ranged from less than 0.05 percent in 1951 to 8.3 percent in 1953. It is estimated to be about 5 percent for 1957.

In view of this relatively small surplus, considering the seasonal production aspect

of the dairy industry, and the need for reserve supplies, we are convinced that the Secretary's action and the President's recommendation are ill advised, harsh, and disruptive and must be prevented, if we are to preserve any semblance of orderly marketing in the St. Louis area, or in any other fluid-milk market.

We urge the committee to report favorably on the emergency bills to establish a support level of \$3.50 for manufacturing milk, and to provide a stable parity equivalent formula.

Mr. SYMINGTON. Mr. President, in addition to the serious effect on the dairy industry, other actions by the Secretary of Agriculture in further reducing prices will have serious consequences to farmers of both Missouri and the Nation.

Let all who now talk about the importance of more purchasing power to stem the recession realize what is happening in the United States from the standpoint of the purchasing power of agriculture.

Unless this resolution to prevent reductions in price supports or acreage allotment below the 1957 level, is enacted, the farmers of Missouri and the Nation stand to lose in the following estimated amounts:

[In millions]

	Missouri	United States
Dairy products.....	\$9	\$250
Wheat.....	11	200
Corn, possibly as much as.....	15	350
Cotton, sharply reduced acres.....		3 to 4

And considerable on other crops, such as grain sorghums, soybeans, oats, barley, and other small grains.

Mr. President, the farmers of my State could suffer further economic loss of at least \$40 million unless this joint resolution is enacted.

Missouri farmers, already caught in a serious economic vise of lower prices and higher costs, cannot stand such additional reductions.

It is a fact that from 1956 to 1957 the average total net income per farm in Missouri declined 14 percent, from \$2,148 to \$1,851.

This Administration has now completed 5 years of agriculture management. This is more than an adequate time period in which to gage results.

Based on official United States Department of Agriculture statistics, and comparing 1952 with 1957, here is the record of these years.

Total farm production, up 6 percent; farm prices, down 16 percent; farm parity ratio, down 18 percent; total farm income, down 20 percent—realized net farm income for 1957 is at its lowest point since 1942.

Family farm purchasing power of that farm income—down 24 percent—the lowest since 1940.

Total farm debt reached its all-time high of \$19.5 billion in 1957.

Farm mortgage debt is at its highest level since the early 1920's.

All this occurred at the same time corporate profits increased 14 percent and weekly wages in industry increased 21 percent, and our gross national product increased 26 percent.

The Department of Agriculture's budget expenditures have almost dou-



bled—from \$2.5 billion in fiscal year 1954 to an estimated \$4.9 billion in fiscal 1958.

It was recently mentioned that 1,800,000 farmers left the land last year. Obviously they have gone into towns and cities. That was in line with the suggestion of the Secretary of Agriculture. That suggestion has been carried out; and the ranks of the unemployed in the cities have been further increased as a result of his policies.

During the same period the policies of the Department of Agriculture have moved over 500,000 farm families off the land—not 500,000 farm people but 500,000 farm families—the Department of Agriculture has added same 20,000 people to its payroll, all charged as additional cost to the American farmer.

As the distinguished Senator from Minnesota pointed out, the result of eliminating nearly 2 million people from our farms in the 12 months past we have a slight increase in farm per capita income, from farming sources from \$601 to \$684.

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). The Presiding Officer is reluctant to announce that the time of the Senator has expired.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that I may proceed for 30 seconds.

In addition to the policies and programs of the Department of Agriculture, its management and administration are subject to criticism and the record so proves to any fair minded person who is interested. It now takes over 20 percent more people in the Department of Agriculture to reduce the farmers income 20 percent. Those figures are but one illustration of what is now going on in the way of duplication and waste in the management of this department.

Mr. HICKENLOOPER. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Iowa is recognized for 10 minutes.

Mr. HICKENLOOPER. Mr. President, the discussions today have taken interesting and remarkable turns. We have heard statistics quoted at length and in confusing profusion. These statistics have been used by various advocates for or against the joint resolution, in an attempt to prove the points of the Senators quoting them.

I think there are some significant outstanding facts, however, which must be considered when we come to pass seriously upon the proposed legislation, which, if adopted and made law, would, in my judgment, completely ruin the concept of the farm program which I submit has been working out in a period of difficulty.

In the first place, there were no hearings whatsoever as to the resolution, which proposes to freeze not six commodities or not seven commodities—not simply the basic commodities—but all the commodities which enjoyed price supports in 1957. It is proposed to freeze those supports at not less than the price supports of 1957. No one knows at this time what the effect would be on the agricultural price economy in this country, because so far as I know authoritative and reliable statistics have not been

developed, except as they have been developed by advocates on one side or the other in connection with their positions.

In the second place, the joint resolution represents permanent legislation. I agree with those who have pointed out heretofore that the argument which has been made, that we are talking about a temporary measure is simply not factual. If enacted, the joint resolution will be permanent until and unless the Congress takes some other action which will nullify either a part or all of the provisions of the resolution.

Mr. President, I have seen delays and confusion enter into the approach to the farm problem for 14 sessions of the Senate. I say to the Senate that if the resolution is enacted into law the result will be what some sections want, such as a permanent freeze of the cotton acreage to prevent the formula from going into effect in 1959, as it otherwise would; under the present broad gauge program, or a permanent freeze of the temporary rice acreage increase, which was supposed to be in effect for only one year. The resolution provides for a freeze of other programs indefinitely.

What the damage would be to the legislative program which has been designed as a combat weapon against spiraling costs and against imbalance in the farm program I do not know, and I do not think anyone at this time knows. It is a matter of conjecture. We do know what has happened under the present program.

Let me digress for a moment, Mr. President to say that we have heard much criticism of Mr. Benson, extending over a period of years. I remember sitting in the Senate Chamber in 1946, when the price for hogs, unfortunately and catastrophically, went down to about 10 cents per pound on the market. Hogs were selling at 10 cents a pound. Cattle prices were down. The prices were bad for the farmer, certainly.

Who got the blame for that situation, Mr. President? Senators stood in this Chamber and said that "that terrible man Benson" was responsible for it all. They would not give credence to the fact that for the first time in the history of the market the peak of the hog cycle and the peak of the cattle cycle struck at the same time in the meat market. It had never before happened in history. Prices crashed in the meat market because of that situation.

No notice was taken of that. Mr. Benson was blamed. His program was described as a terrible Machiavellian machination, designed to destroy the farmers, and it was said that Mr. Benson was responsible for 9-cent or 10-cent hog prices.

I do not wish to argue that point further at present, but when I picked up the newspaper this morning I noticed that hogs on the Chicago market yesterday hit the highest price since 1953, in excess of \$20 a hundred. I noticed that cattle topped the market at \$37.50 a hundred on the Chicago market.

Where are those now who blamed Mr. Benson for 10 cents a pound hogs? Why do they not come forward to say, "Praise to Mr. Benson. Look what Mr. Benson

has done. He has given us \$21 hogs and he has given us \$37 cattle." I have not heard a word of praise for Mr. Benson, but he received all the condemnation for 10 cents a pound hogs and 14 or 15 cents a pound cattle.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. HOLLAND. Is it not a fact that the livestock industry comprises one great group which has never agreed to be regimented by the Government, which has never wanted a price-support program and has consistently protested against price supports, and which now has recovered from what was a bad situation of several years ago simply because of an operation which is natural instead of being under Government regulation?

Mr. HICKENLOOPER. And the livestock producers have consistently betted themselves economically under those conditions, more than those who have been suffering under high rigid price supports instigated by wartime necessities and wartime demands. Certainly the record is clear.

Now let us examine briefly the farm population question. We have heard a great deal said about driving people off the farms. I would believe, I suppose, if I did not know better, that Mr. Benson has a long Simon Legree mustache and a great long cattle whip, that he is marching here and there, and wherever he can find a poor farmer in the field he uses the cattle whip until he cuts the farmer to ribbons, to drive him off the farm, and then he says, "Ha, ha, ha; look what I have done."

Let us examine the facts in regard to the story of the farmers who have left their farms and let us determine when the farmers have done that.

We have heard a great deal in the past 4 or 5 years about driving farmers off the farms. Bless you, Mr. President, since this administration has been in charge, the total population—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HICKENLOOPER. I yield myself 5 additional minutes, Mr. President.

The percentage of the population leaving the farm has declined 2.3 percent in the past 5 years.

Under the Democrat administration, beginning back in 1935—and I use the year 1935 because 1934 was about the same and 1933 was about the same, and the decline started in 1935 under the Democrat administration—the percentage leaving the farm was 11.1. Farm population went down from 24.8 percent to 15.5 percent. But we hear nothing about that. It is Mr. Benson who is driving the people away from the farms. A smaller percentage, by far, have left the farm under this administration than under the Democratic administrations. I am not necessarily blaming the Democratic administrations for that. I am only trying to show the facts. There are factors which are economically more powerful, I believe, than any particular administration, in their effect upon migration from the farms. The fact still remains that while we hear a great deal about farm income, we hear very little about the per capita income.



It still remains the fact that farm assets as of January 1, 1958, were at an alltime high. The fact is that farm indebtedness was at an alltime low. The farmers have less than \$11 in indebtedness for every \$100 in assets. These are official figures.

Farm ownership is at a record high. Only 1 farm in 3 has a mortgage on it today.

I am not trying to say that everything is rosy with the farmer. There is much that needs to be corrected. But never in the past 5 years has this administration's farm program been put into effect. It has been hacked, chipped away, and distorted; and the edge of the tool has been dulled. This administration's farm program in its entirety as asked for by the administration has never gone into effect in full. Parts of it have, and parts of it have not.

Let me refer to the family-sized farms. We have just as many family-sized farms in the United States today as we ever had. I am not sure but that we have a few more. The overwhelming percentage of farms in the United States are family-sized. When I was a boy, 80 to 100 acres was a good-sized family farm, because that was all the farmer could handle with his family, and he required a little periodic help at that—at harvest time and perhaps at corn-picking time.

Today it is not unusual for the same type and size family to farm from 240 to 280 acres of land. I know one man who has two sons, who farms 320 acres himself. That is a family type of farm. That is not a corporate farm. The family today can handle larger farms. What I am referring to are all family-sized farms. The mere acreage does not determine whether or not a farm is a family-sized farm. It depends upon what the family can handle. With modern machinery and equipment, the capabilities of the average farm family to handle a farm have been greatly enlarged.

There is no Member of this body who has more concern for the stability of the economics of agriculture than I have. Agriculture is the lifeblood of my State. Our agriculture is diversified. The State of the present occupant of the chair [Mr. DOUGLAS] is greatly dependent on agriculture, although there are more manufacturing centers in his State than there are in my State. I know that the Presiding Officer is deeply interested in agriculture. We all are. But if the proposed "freeze" of unknown effect is to take place I do not know what the effect of the economic structure will be. Many of those who have heretofore supported the flexible philosophy may find themselves supporting the very measure which will destroy it.

The PRESIDING OFFICER. The time of the Senator from Iowa has expired.

Mr. HICKENLOOPER. I yield myself 2 more minutes.

So far as I know, since 1932 every President of the United States has advocated the flexible price support theory as the one broad theory to bring us out of this condition. Every Secretary of Agriculture since 1932 has advocated the soundness of the flexible price support theory. It is true that Mr. Brannan

recanted at one time, but he first advocated it. Then when he evolved his production theory, the so-called Brannan plan, he changed his mind. However, I believe it will be found that every President and every Secretary of Agriculture has, at least at first—and only one changed his mind, so far as I know—advocated the flexible theory as sound. The pending proposal would destroy the theory of the use of flexible adjustments of prices of various commodities in order to maintain a balance which, in turn, would bring supply and demand into line, and bring good prices and a sound, prosperous, reliable agriculture.

I wish to make one further point. We have almost stopped the spiraling inflationary tendencies following the war years. During the period from 1939 to 1952 the index of prices paid by the farmers—and this is significant, because we hear a great deal about the "spread"—including interest, taxes, and wage rates, increased more than 100 percent. From January 1953, when this administration took over, to January 1958, this index has risen only 6 percent. Those are official figures. We are beginning to solve the farm problem. If we pass this joint resolution, we shall be set back. If we go forward with the program, as it is presently envisioned, I can see the time when we will begin to experience a stabilization of agriculture, to the benefit of the farmer and the agricultural economy.

Mr. SALTONSTALL. Mr. President, will the Senator yield for one very brief comment?

Mr. HICKENLOOPER. I yield 1 minute to the Senator from Massachusetts.

Mr. SALTONSTALL. I wish to commend the Senator for what he has said. A group of Massachusetts farmers came to see me early in the week. They were against the joint resolution and in favor of the flexible parity provision. They believe that it is a program which ultimately will afford the best chance of solving the very difficult farm problem.

They also have a great deal of respect—as do I—for the courage, integrity, and long-range thoughtfulness of Secretary Benson in forwarding the efforts he is now making toward the long-range solution of this difficult problem. I commend the Senator for what he has said.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the senior Senator from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. President, I did not wish to allow this opportunity to pass without expressing my views on this particular piece of legislation.

I shall support the committee report; and I do so, I believe, without any disillusionment. I realize that while this measure is called a stopgap measure, it is in reality permanent legislation until it is changed by Congress.

I support it for 2 or 3 reasons. I have heard the debate and discussions as to why we should not pass the joint resolution.

One of the points made today was that if we vote for this type of legislation we shall increase surpluses. I say

that that is contrary to logic. Let us analyze the situation.

The farmer must have so much income in order to operate his farm, pay his taxes, buy his farm machinery, and other expenses, as do others in the operation of a business.

If we establish prices on a flexible basis, from zero to 90, we force a farmer to produce more bushels for the same number of dollars. All we do is to force the farmer to increase his production. He must have more bushels of grain to get more dollars with which to pay his taxes and to pay the cost of operation of the farm. So I contend that if we wish to increase surpluses, we should continue to reduce the prices of farm commodities.

That is one reason why I am supporting the proposed increase on the various farm crops. Perhaps I can speak better on wheat than on any other commodity, although I should state to the Senate that one-fifth of Kansas is in the commercial corn area. I live in a commercial corn county. I believe I know something about the operations of the corn program, the wheat program, and the sorghum program. Kansas is a great agricultural State. We are caught in a price squeeze between the cost of operations of a farm and the cost of things a farmer must buy.

Despite the lower prices agriculture has realized, the gross income in 1957 was about \$800 million more than in 1947. In other words, we gained \$800 million in 10 years. However, costs of operations went up more than \$6 billion.

We cannot force back farm prices and expect the farmer to continue at greater deficits in his purchasing power without bringing disaster to him and to the economy as a whole.

I have heard it said that if farm prices went down, the consumer would benefit. That is contrary to the facts. I believe the distinguished Senator from North Dakota [Mr. YOUNG] put into the RECORD some figures which show that whether the price of wheat goes up or down 10 or 15 or 20 or 40 or 50 cents a bushel, it does not make any difference so far as the cost of a loaf of bread is concerned. As a matter of fact, over a 10-year period the price of wheat dropped 7 percent, but the cost of a loaf of bread rose 34 percent.

In other words, there is only 2.6 cents worth of wheat in a loaf of bread that sells for about 18 or 19 cents. In a pound package of soda crackers there is only 4.3 cents worth of wheat, and that package sells for 28 cents. That proves that low prices are not an advantage to the consumer.

Why should we adopt the legislation? I have said on the floor of the Senate that I do not believe in rigid supports as being the answer; neither do I believe that flexible supports are the answer. It is my firm belief that we will solve our farm problem when we begin to deal with it on a commodity by commodity basis. On certain crops we should consider domestic parity for that part of the commodity that is consumed domestically. I sincerely hope that the Senate will adopt the resolution.



Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, first let me say that I am surprised that anyone feels the debate on the floor is a fight between flexible and rigid price supports. My principal disagreement with the Secretary of Agriculture is due to the fact that he has very vigorously attacked the flexible support program for which I broke my neck working to get enacted. The flexible support program has not failed. I will no more vote to give Secretary Benson life-and-death authority over our farmers than I would give it to Secretary Brannan. I disagreed with him, too.

For the benefit of Senators who come from dairy and poultry feed States—I know their people will want to know at what level feed grain has been frozen—soybeans, from which soybean meal comes, are frozen at a minimum of 70 percent of parity. Cottonseed and flaxseed, on which we depend for protein, are frozen at 65 percent. Barley, oats, and sorghum grain are frozen at 70 percent. Corn that is grown under allotment, is guaranteed 77 percent. But that is not where we get our corn for dairy feeds. We get it from noncompliance acreage and noncommercial areas. Corn in the noncommercial area is frozen at 70 percent of parity.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. AIKEN. There are some other points that I should like to make for the RECORD, in order to keep the Record straight, but unfortunately I do not have time for it.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, I agree with the Senators who are advocating the passage of the resolution. I have been chairman of the committee which has been holding hearings on support prices. We have not been able to complete the hearings and to make our reports on all of them. We need more time.

We find that the farmer's income is gradually going down and down and down. I notice that since 1951 it has been constantly going down every year—from \$16 billion in 1951 to \$11.6 billion in 1957. At the same time labor income has been rising from \$175.6 billion to \$246.6 billion.

We can readily see the difference. All of us have to live in the same America with the same set of rising prices, and all of us must pay for the same things. Therefore, Mr. President, what is wrong with putting the floor where it is at the present time until Congress can pass the necessary legislation from an overall standpoint in regard to matters pertaining to our farm commodities?

We also find that rentals have risen from \$9 billion to \$10.4 billion. Everything is going up except the farmer's income. We are trying to do something for the downtrodden farmers of America.

Mr. ELLENDER. Mr. President, I yield 1 minute to the distinguished Senator from Oregon.

Mr. MORSE. Mr. President, I would be derelict in my responsibility to the citizens of my State if I did not bring to the attention of the Senate the effect of the adoption of the Benson-Eisenhower farm policy upon Oregon agriculture.

Normally, Oregon produces about 25 million bushels of wheat. A cut of 10.1 percent or 22 cents per bushel would mean a loss of about \$5 million per year to our wheat farmers. We produce about \$50 million worth of dairy products each year, roughly half of which is affected. The administration's proposal to cut support levels by 5 percent in this area would adversely affect our dairy people by about \$1.3 million annually.

These, Mr. President, are but additional steps toward an ultimate disaster to the economy of my State. This \$6 million to \$7 million loss to an already distressed State economy, suffering now under the high interest rate policy of the administration, which is hurting our lumber and timber industries and contributing to our exceedingly high unemployment problem, is but another turn of the expanding spiral of economic difficulties which confront my State.

The farm dollar of income is not kept by the farmer, it is quickly gone. It goes to the small-business man in the towns that serve our rural population. If the farmer is hurt economically, the town and city economy has sympathetic pains almost immediately. The multiplier effect of farm income, I am advised, ranges up to a 12-to-1 ratio. The economic curtailment of the Secretary's proposals, by this criterion, would be in the order of \$72 million to \$84 million. And this at a time of general business decline.

Mr. President, high support prices are not the only answer, or necessarily the best answer to the problems of our farm people. But they will provide an umbrella under which we can work out an answer that can and must be found. Mr. President, the pending Senate joint resolutions, Senate Joint Resolution 162 and Senate Joint Resolution 163, by freezing support levels, will permit us to seek equitable solutions. I urge their adoption.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the senior Senator from Mississippi [Mr. STENNIS].

Mr. STENNIS. Mr. President, I am gratified that the Senate Committee on Agriculture and Forestry has acted promptly in bringing a measure before the Senate to extend our cotton-acreage amendments adopted as part of the 1956 Agricultural Act.

There were three cotton-acreage amendments included in the general farm bill of 1956, applicable only to the crop years 1957 and 1958. These amendments held the national cotton acreage allotments to at least the 1956 level, provided 100,000 additional acres for small farms with 4 acres or less, and prevented any one State from losing more than 1 percent of its allotment in any one year.

I am especially pleased that the Agriculture Committee has included as a part of their measure extension of these acreage provisions, which are identical to a bill, S. 267, which I introduced on January 7, 1957.

Mr. President, if this legislation is not enacted into law, and marketing quotas are reduced to the 10-billion bale minimum, the national cotton allotment for the crop year 1959 will go to 13.7 million acres as compared with 17.5 million acres in 1958. Our cotton farmers—small, medium, or large—cannot stand such a severe and drastic acreage reduction. Our 1956, 1957, and 1958 allotments reflect a reduction of 37 percent since 1953. It was agreed in 1956 that we could not stand further acreage reduction, and it was for this reason acreage was pegged at the 1956 level, with a special provision protecting the very small farmer and a provision for preventing any one State from losing over 1 percent of its acreage.

Acreage and price reductions plus increased costs have driven many, many thousands of our farm people from the farm. These conditions have had a seriously adverse effect on our local economy. Our cotton producers and processors represent a large part of our economy. More than 13 million people earn their livelihoods directly or indirectly from growing, handling, or processing this commodity. It is, therefore, absolutely essential that we adopt this legislation to cover the foregoing provisions as to acreage for 1959 and future years. Otherwise, the entire cotton economy would be strangled and would suffer greatly.

If we can adopt this proposed legislation, we can move to a deliberate study of legislation for a sound, long-range program that will permit the cotton industry to survive in competition with synthetics and foreign production. Such a program is already long overdue.

Mr. President, I also reaffirm my strong belief that special attention must be given to our small and family-sized farmer. Department of Agriculture figures show that in 1956, 73 percent of the cotton farms in the United States had cotton-acreage allotments of less than 15 acres. In Mississippi, 84.6 percent of the total cotton farms had allotments of less than 15 acres, and 93 percent had allotments of less than 30 acres. These farmers are the bedrock of our cotton economy, and any agricultural program which fails to recognize this group and assist it will fail to operate for the best interests of agriculture.

Our special attention must also be given to reappraising our present program, with the objective of encouraging full utilization of land, full employment for agriculture, and increased farm income. Senate Joint Resolution 162 is a move in the right direction for at least giving us protection against acreage reductions in 1959, and I hope that it will receive the full approval of the Senate.

Mr. HICKENLOOPER. Mr. President, I yield 3 minutes to the distinguished junior Senator from Ohio.

Mr. LAUSCHE. Mr. President, I have listened for the past 3 hours to recitals



of various opinions which have been expressed by the Secretary of Agriculture. I do not want my silence to be construed as a subscription to some of the words of denunciation which have been made of him. It may be that my colleagues, in the main, differ with his views. But the probability is that in solitude, reflecting upon the character of his services and his efforts, they conclude that he is sincere in what he is trying to do.

I am inclined to give faith to what Mr. Benson says. He has no selfish objective in trying to solve this problem. I believe his desire, in conformance with the oath of his office, is to serve the people of the United States.

In Ohio, there is a small newspaper named the Perry County Tribune. I should like to read what the editor of that newspaper says. I think it is equally applicable to me as it is to others who may be considering this problem.

In effect, the editor says that every attack upon Benson makes Benson stronger, and his stature grows. He quotes a statement which Mr. Benson made in reply to the statement that 20 Republicans may go down to defeat on account of the farm program. It may be that some Democrats also will go down to defeat, depending on how their votes are cast on this measure. But I respectfully submit to my colleagues that that is not the issue in determining how we should vote on the measure. Each of us can go down to defeat and it will mean nothing. In the long run, there is only one thing to be considered, and that is the health and strength of our country.

Mr. THYE. Mr. President, will the Senator yield?

Mr. LAUSCHE. Not at the moment, please; I shall yield later.

Mr. Benson said:

I am interested and concerned in attempting to give the American people the best government possible. But concern for political fortunes of individuals cannot transcend the very function of government, which is to protect and to help its citizens. I am convinced that the American people want programs based on sound principles of agriculture.

Mr. President, although I might differ with Mr. Benson in his policies, deep within myself there is the conviction that he is acting honorably and courageously in seeking the adoption of a program which will be for the benefit of our country.

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

Mr. KNOWLAND. Mr. President, I yield two additional minutes to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, so much for Mr. Benson.

It has been pointed out by the Senator from Louisiana that under the flexible program several important products would be given higher subsidies than the resolution would produce. That seems paradoxical, but it demonstrates the strength and wisdom of having a flexible program. By the passage of the resolution we will declare that the program shall be rigid and inflexible. I do not think such a policy is sound.

I shall vote against the resolution, because I believe it to be in the best inter-

ests of our country and of the farmers as a whole to do so.

I may state, further, that while we are in this emergency, and everybody is yelling, "Rush, do this and do that; the country is going to die tomorrow unless we hurriedly pass legislation without hearings," I shall not listen to that argument.

I shall be careful to make certain that while I think I am doing good, in truth I might be doing bad. I shall vote against the resolution.

I have deep respect for the Senator from Minnesota [Mr. THYE]. I know his sincere purpose in the advocacy of the resolution. I admire him, and I listen to him with deep interest. I say that to the people of his State.

Mr. THYE. Mr. President, if I may have half a minute, I wish to comment on the statement of the distinguished Senator from Ohio that he would vote his conviction. I hope I never vote anything but what is my conviction.

I have the greatest admiration for Secretary Benson. I know that this is his conviction. But I differ with him, unfortunately, in this instance. I think the floor must remain under farm prices until we have learned how to dispose of the surpluses.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that there be a quorum call, and that the time for the quorum call be charged to neither side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PROXMIER in the chair). Without objection, it is so ordered.

Let the Chair announce, for the information of the Senate, that the Senator from Illinois has 10 minutes remaining under his control, and the Senator from Louisiana has 6 minutes remaining under his control.

Mr. DIRKSEN. Mr. President, I yield 5 minutes to the senior Senator from Utah [Mr. WATKINS].

The PRESIDING OFFICER. The Senator from Utah is recognized for 5 minutes.

Mr. WATKINS. Mr. President, many persons think the performance of a Secretary of Agriculture, as well as the success of an administration's farm program, can best be judged by whether the prices received by farmers rise or fall. If this is so, then we must take off our hats to Secretary Benson and the Eisenhower farm program.

Why? Because of these facts: The United States Department of Agriculture publication, *Agricultural Prices*, dated February 28, 1958, reveals that the Index of Prices Received by Farmers increased two percent during the month ended in mid-February, and that the February index at 252 percent of its 1910-1914 average was 8 percent above a year earlier and at its highest level since May 1954. Not only were mid-February prices received by farmers 8 percent above

those of a year ago, but they were 11 percent above those prevailing 2 years ago.

It is especially interesting to note that the major price gains were made by agricultural products which do not even receive price support. Here is what the publication to which I have just referred says on this score:

**Meat animals:** The index of prices received by farmers for meat animals continued its upward surge during the month ended February 15, reaching 324 percent of its 1910-14 average. This movement, continued for the 4th consecutive consecutive month, brought the index to its highest point since May 1954 and the highest for the month since 1952.

**Commercial vegetables:** At 376 the index was 13 percent above January and equal to the all time high in April 1943.

**Fruit:** Higher prices for oranges were mainly responsible for the nine percent increase in the index during the month.

**Potatoes, sweetpotatoes, and dry edible beans:** At 204 the index was 15 percent above January and 33 percent above February 1957. Substantially higher potato prices were largely responsible for the increase.

These are commodities, except for dry edible beans, which do not receive price support. However, when, either by conscious planning on the part of farmers individually, or due to the vagaries of the weather, supplies greatly exceed demand, the United States Department of Agriculture undertakes surplus-removal operations which have some positive effect upon prices. But the United States Department of Agriculture conducts no general price-support program for the benefit of the producers of these commodities.

On the other hand, Mr. President, it has always appeared to me that much unfounded criticism is directed at the Secretary of Agriculture because realized net-farm income may actually decline, even though the prices received by farmers are on the upgrade during the period under consideration. For example, although farm prices were up 3 percent last year, there was a slight decline in realized net-farm income during 1957.

Obviously, if farm income declines while farm prices received are increasing the cause of the decline in realized net-farm income is the fact that the prices paid by farmers rose at a faster rate than did the prices they received. During 1957, the pressure from the cost side of the economic equation robbed farmers of what would otherwise have been an increase in their realized net-farm income. That development was not the result of the actions of the Secretary of Agriculture or the Eisenhower farm program.

Just what the Secretary of Agriculture has to do with increasing the costs of the things farmers buy, is never explained by his critics, because such increases they cannot correctly be attributed to any programs run by the United States Department of Agriculture.

The Consumer Price Index for January, 1958, issued by the Department of Labor on February 25, 1958, indicated that consumer prices rose 0.6 percent between December 1957 and January 1958. Here are some of the items which



resulted in this net increase, according to the Department of Labor:

1. Rents continued their upward trend with an increase of 0.1 percent. Gas and electric bills averaged 1.2 percent higher. \* \* \* The household operation and solid fuels and fuel-oil groups were each up 0.1 percent.

2. The reading and recreation index rose 1.7 percent, with higher prices for sporting goods and a few reports of higher movie admissions and newspaper prices.

The rise of 0.6 percent in medical care resulted from scattered reports of advances in fees for professional services and hospital rates.

Just what does the Secretary of Agriculture have to do with increases in the cost of these things—increases which in part, have served to offset, income-wise, the recent increases in the prices of farm products? Absolutely nothing. Just what has the Eisenhower farm program had to do with increasing the prices paid by farmers, and by the rest of us, as well, for such items? Absolutely nothing.

But every time this administration took steps last year to curb the forces in the economy which were making for inflation and lower realized net-farm income, the Benson-Eisenhower critics called for cheaper money and easier loan requirements—a course which, if followed, would only have fed the fires of inflation and resulted in still lower realized net-farm income, in spite of rising farm prices.

These are some of the points the Benson-Eisenhower critics consistently overlook in their demands that the Secretary of Agriculture be fired. They should not be forgotten, however, as the people of this country begin to think about the approaching 1958 congressional elections.

**THE PRESIDING OFFICER.** The time yielded to the Senator from Utah has expired.

**Mr. KNOWLAND.** Mr. President, I yield 1 additional minute to the Senator from Utah.

**THE PRESIDING OFFICER.** The Senator from Utah is recognized for 1 additional minute.

**Mr. WATKINS.** I thank the Senator from California.

Mr. President, because this theme and related matters are discussed at some length in three editorials of recent date, urging public support of Secretary Benson and the Eisenhower farm program, I ask unanimous consent that editorials which appeared in the New York Times, the Sunday Star, and the Deseret News, be printed at this point in the RECORD.

I also ask unanimous consent that an address delivered by the Secretary of Agriculture on March 3, 1958, at the 12th annual farm forum, at Minneapolis, Minn., and several letters and a telegram which I have received, also be printed at this point in the RECORD.

There being no objection, the editorials, address, letters, and telegram were ordered to be printed in the RECORD, as follows:

[From the New York Times of March 4, 1958]

#### THE BENSON ISSUE

The average reader following the news stories dealing with the attitude of Congress toward the retainment of Ezra Taft Benson as Secretary of Agriculture might be forgiven if he concluded that the only Republican standing behind this dedicated and courageous friend of the farmer was the man who appointed him, President Eisenhower.

This would not be the fault of the newspapers: It would be because the outcry raised by Mr. Benson's critics is noisy and persistent, out of all proportion to its importance, and is prompted predominantly by a desire to make the headlines. It is doubtful that, even among those critics who profess to regard his policies as unsound, one could be found who would be prepared to meet the Secretary of Agriculture in open debate in public, which proves this much at least—that though they may not know much about agricultural economics they at least have a highly developed instinct for survival.

Unfortunately for the reputation and the future of the Republican Party, a sizable proportion of this noisy minority pitches its opposition to Mr. Benson at an even lower level than those who profess objections to the Secretary's policies. These are the boys who have been frightened into opposing him not because his policies are not right but because, while he is probably right he may have antagonized agriculture's vested interests. Primarily these would be the big farmers, who learned to become accustomed to living off Government subsidies under temporary legislation enacted in wartime and whose Representatives in Congress have steadfastly refused to return, as they were directed by that legislation, to a farm program designed to meet the requirements of peacetime.

Confidence in the basic policies of Mr. Benson, a successful farmer and graduate student of agriculture, is not confined to the White House. That confidence is shared by such farm organizations as the American Farm Bureau Federation, by an overwhelming majority of farm economists and by the studies of groups, objectively minded, such as the American Assembly, which have no axe to grind and which are representative of every important segment of the economy.

[From the Sunday Star of March 2, 1958]

#### MAN OF COURAGE

Spring seems to be coming a bit early this year for Ezra Taft Benson. At any rate the chilling winds which have been blowing over the Secretary of Agriculture are being tempered a bit by a warming political climate.

For one thing, farm prices were up 2 percent in February—a total increase of 8 percent over a year ago. For another, more and more Congressmen are beginning to speak out in Mr. Benson's behalf.

Of course, a determined band of midwestern Republicans are still after Mr. Benson's scalp. They say, and they may be correct, that Mr. Benson and the Benson program will cost the GOP from 20 to 30 House seats in November. Even if they are right, however, a lost battle does not mean the loss of a war. It looks as though Mr. Benson may be winning the war.

Farm prices are improving. The President is backing him to the hilt. And his supporters in Congress are beginning to rally around. Representative BASS of New Hampshire has just made an excellent statement of the case for Mr. Benson—a speech which was warmly endorsed by a surprising number of his colleagues. It is too bad, from the point of view of the taxpayer, that Mr. BASS' remarks cannot be published in full. They

should be read. The heart of the speech, however, is in these two paragraphs:

"When our taxpayers realize what farm price support programs are costing and what the costs mean to them individually; when they realize that they (the support programs) are a failure and will not solve the farm problem, then they will be strong for Benson's proposals.

"Secretary Benson has courageously proposed a way out of this nightmare of economic nonsense. It is the way of more flexible and lower agricultural price supports. It is the only way that leads toward an ultimate solution."

For our part, we welcome this budding support for Mr. Benson. We welcome it because we believe that the Benson program will be proved right in the long run—right for the farmer and right for the consumer. We also welcome it because Mr. Benson is something of a rarity in public life, and it would be a shame if he were to be sacrificed on the altar of political expediency.

He is a man of courage. More significantly, he is a man of principle and integrity. As the election draws nearer every demagogue in the land will be yelling for his head. But this will not divert Mr. Benson from his chosen course. He firmly believes that he is right, and that in the end he will be proven right. Considerations of political expediency (short-range expediency in our judgment) will not move him. This makes him something of an uncommon man on our political scene. Our country needs more like him, not fewer.

[From the Salt Lake City (Utah) Deseret News of February 22, 1958]

#### WHY SECRETARY BENSON SHOULD STAY

It's finally out in the open, this smoldering revolt with the Republican Party against Secretary of Agriculture Benson. Certain farm-state politicians, fearful of losing their seats have visited the secretary, with the apparent blessings of some politically timid party leaders, and have openly asked for his resignation.

They claim that rightly or wrongly, his name has become a symbol of low farm prices and that for the good of the party he should resign.

Nonsense. Secretary Benson's resignation would be good for neither the country nor the party.

Even a politician nervous about re-election must consider the country's interests as well as his own. Let's examine the resignation request from both points of view.

From the standpoint of national interest, there is simply no question. The high rigid price support program that Secretary Benson destroyed, and which has become the rallying cry for his opponents, was bankrupting agriculture, economically and morally. It fostered inefficiency. It was grossly unfair. It created surpluses that depressed the market and made normal supply-and-demand operations impossible.

The Eisenhower-Benson program of gradually lowering supports, taking some land out of production into a conservation reserve, and helping marginal farmers get into more productive activities is the only sane way we can go. Adjustments are difficult and expensive. They take courage and foresight. But unless we see them through, we will never find a solution to the agricultural mess.

So much, briefly, for the argument of public interest. What about partisan political interest? Would the Republican Party be helped by Secretary Benson's resignation?

We think exactly the opposite is true. His resignation, or discharge, now would be an admission of 6 years of failure. How could that help the party?



More important, the abandonment of commonsense farm policies in the face of farm State self-interest would deeply offend the millions of urban dwellers who have never been able to understand why they should pay higher taxes to pay price supports, and then also pay higher prices in the market place as a result of the supports. Time was when the farm vote was a tremendously potent political force. In 1910, the country had 14 million farmers in a population of 90 million. Today we have 8 million farmers in a population of 170 million. The difference is made up by wage-earning food consumers. Even among the 8 million farmers, relatively few get much benefit from the price-support program for the six so-called basic crops. Politically, then, where do most votes lie?

And still more important, the Eisenhower administration came into power and continued to grow in popularity during its early years primarily because the country had confidence in its moral strength. The contribution of Secretary Benson to that impression of moral strength is impossible to measure. But if he were dismissed for obviously cynical vote-seeking reasons, the reaction of the millions of Americans who are looking for integrity above political expediency, could utterly ruin Republican chances of staying in office.

As we have said before in commenting on the farm program, being right is more important than being popular. For the Republicans, however, the only chance of continued political power lies in making being right popular as well.

ADDRESS BY SECRETARY OF AGRICULTURE EZRA TAFT BENSON AT THE 12TH ANNUAL FARM FORUM, MINNEAPOLIS CHAMBER OF COMMERCE, MINNEAPOLIS, MINN., MARCH 3, 1958

It is both a great pleasure and a signal honor to participate in this 12th annual farm forum.

I congratulate all those who have pioneered in the establishment of this nonpartisan, impartial, and objective forum. For more than a decade this annual meeting has provided the stage for a thorough, objective, and open discussion of the broad problems related to agriculture, industry, and labor of this area. One of the basic concerns of this meeting today—shared by all of us—farmers, businessmen, housewives, and those of us in the Department of Agriculture—is that farmers are not participating equitably in the national prosperity they have helped to create.

There has been some real hardship among farm families. You know it and I know it, and I would be less than honest with you if I told you that I have a simple cure-all for all farm problems. No one does.

The pains of adjustment to our fast moving economy are sometimes severe, and the responsibility of the Government to help cushion the effects of these changes is fully recognized. These things cannot be accomplished overnight but I am convinced that we are moving in the right direction.

However, it is entirely fitting at such a meeting as this that we should also pay tribute to the tremendous achievements of American farmers. Never in history have so many depended on so few to feed and clothe us so well.

One farm worker on the average produces in 1 hour today what it took 2 hours to produce in 1940 and 3 hours in 1910. He is producing food and fiber for himself and 20 others. With 7,000 additional mouths to feed every day the farmer will shortly feed himself and 25 others.

Farmers can accomplish this remarkable task only by the aggregate effects of education, research, machines, plant food, specialized mixed feeds, better seed and soil added to their own unceasing labors.

Let us pay tribute to the farmers of the United States as the most efficient in the world. How else can we explain the fact that these 20 million people, less than 1 percent of the world's population, are producing between two-fifths and one-half of the world's production of eggs, red meat, and milk. Let us be unstinting in our praise of American farmers for their productive ability. This is the major factor enabling American consumers to have the best diet in the world and to spend a smaller percentage of their income for food than in most countries. This basic fact also undergirds our standard of living—the highest in the world.

Notwithstanding the remarkable production record, our farmers are confronted with problems. You recognize this in the theme of this 12th annual farm forum, "Who will solve the farm dilemma?" And the particular question that has been proposed for today's meeting is, "To whom does the farmer look?" He looks to several sources for help, first to himself and his own efforts.

Farms have to be run, and decisions have to be made, and responsibilities have to be borne, by the families on the farms. He may join with his neighbors in self-help programs, and certainly he has every right to look to his government for help. There are many ways in which government can help to promote stability without limiting opportunity.

I am dedicated to a principle which I am sure is equally cherished by most of you. It is that government should not—should never—be your master.

Here in Minnesota it is obvious from an examination of the facts of recent history that the farmers have chosen freedom—freedom to plant—to market—to compete. In 1957 farmers chose not to participate in the corn acreage allotment program. Only 1 acre in 10 was planted within the allotment. Also, for wheat, 1 acre out of 4 was planted in excess of the allotment—36 percent of the wheat farmers. For the allotment crops 5 out of 6 acres were planted in complete disregard of the allotments.

Let me make one point clear. Contrary to myths peddled by some, the level of these allotments are determined by statistical formulas spelled out in the Agricultural Adjustment Act of 1938. I know that these acreage allotments are too low. That is why we are trying to get the law changed. Also, that is why for the first time in history in 1956 and again in 1957, we made supports available for corn grown outside the allotments.

Let us now look at Minnesota from the standpoint of its sources of agricultural income. The propaganda mills grind out tales about the importance in Minnesota of the basic crops. Actually only 12 percent of the cash receipts of this State come from the basic crops. In view of the Minnesota farmer's free choice to plant in excess of their allotments, they are, therefore, ineligible for full price support. Thus, it is doubtful that farmers here relied on the allotment program for as much as 2 percent of their income.

Here in Minnesota the basic crop acreage allotment program has resulted in the loss of corn markets amounting to hundreds of millions of bushels. Witness the expansion of grain sorghum and barley production on the acreage diverted from wheat and cotton. Witness the fact that this loss of markets to other feed grains meant a buildup in carry-over stocks of corn—now estimated at 1.5 billion bushels on October 1, 1958. Witness the fact that under the Agricultural Adjustment Act of 1938 the increased carryover forced a cut in the allotments to levels so low that most farmers chose to ignore them.

Yes, I know, and you know, that corn producers can't live within their allotments—which is why only one-seventh of the corn produced in the commercial area last year

was in compliance. These conditions pose a threat to hog producers—to the entire livestock industry—to poultry producers—to the dairy industry. That is another reason why we are seeking changes in the program.

The loss of productive wheat acres in the Upper Midwest has been a direct result of the provisions of the Agricultural Adjustment Act of 1938. You folks know better than anyone that Minnesota, the Dakota's, and Montana have been a Wheat Belt since the time our pioneer forefathers first turned over the rich, black soil of these prairies.

They worked with courage and determination and out of the sod they carved themselves homes and a vast wheat empire.

This region has appropriately been termed the "Breadbasket of the Nation." Traditionally it has produced milling wheat of the highest quality. Tremendous capital has been invested in milling businesses to work and provide a ready market for farmers and utilize to the fullest the God-given resources of this area.

In many years of normal production there was not enough of your high-quality milling wheat to meet the demand. In spite of this, this region has lost wheat acreage allotments under our outmoded farm law that was based in the late thirties. For example, in 1939, North Dakota had a total wheat acreage of 8.3 million acres and by 1958 this had decreased to 7.3 million acres. In contrast, during this same period, other Western and Southern States were receiving considerable expansion of wheat acreage allotments.

Why did this happen? Because we lost large portions of our cotton and tobacco markets through pricing ourselves out of competition. Winston Salem, N. C., was once the largest tobacco exporting market in the world but Southern Rhodesia now claims that distinction. At one time we lost 60 percent of our world cotton market by placing cotton in Government warehouses instead of selling it abroad. Those farmers who produced cotton and tobacco had no choice but to divert acres to corn, wheat, and livestock.

But as acreage allotments were cut back on your best crops in the upper Midwest, you did not have the choice of equally good alternatives that was true in other sections of the country. I have yet to see any increase in cotton or tobacco produced in Minnesota.

It doesn't make sense to me that this traditional wheat area should be deprived of production and economic wealth by unsound farm programs those lose markets and depress prices through imbalance of natural production.

That is why the President has recommended changes in the old basic farm law which would restore the rightful agricultural position of the upper Midwest and be fair to farmers in each of the 48 States. Farm programs that cause one region of the Nation to benefit at the expense of another region are unsound, uneconomic, and completely undesirable to the Nation's welfare.

Now what are the sources of cash income here in Minnesota? Two out of every 3 dollars come from livestock, dairy, and poultry. There is an approximately equal division between cattle, hogs, and dairy products. Soybeans provide about four times the income from wheat. Minnesota now has climbed to be the third most important soybean producing State. These facts show how little the farmers of this great State rely on the production control apparatus. The overwhelming majority of farmers here are those who foster freedom to plant—to market—to compete.

Those who don't want to compete in price, promotion, and quality must either build warehouses or get the Government to do it for them, or attempt to control production. I deplore the tactics of those who advocate farm programs devised to fill storehouses instead of stomachs. Farmers should not be misled by those who are more interested in



keeping the Government paying storage costs on warehouses filled with grain rather than working for farm programs providing profitable markets for farmers.

If we are to develop programs for agriculture to meet the needs of today and tomorrow, we must be sure the facts are presented to the American people. It is only from an understanding of the facts that we can move forward to solutions.

Let us first review some of the facts:

Income per person on farms last year—including income from all sources—was the highest income per person on record—up 2 percent over 1951, the previous high year.

The level of living on farms is higher today than ever before.

Farm exports in fiscal 1957 set a new record of \$4.7 billion—68 percent higher than in fiscal 1953.

The surplus production of American farms is being made available for hungry people at home and abroad.

The postwar downtrend in prices which started in 1951 has been stopped. Prices received by farmers in February were 8 percent above a year ago and 11 percent above 2 years ago, and are at the highest level since May 1954.

The buildup of surpluses has been reversed. Government investment in surplus farm products owned and under loan has dropped about one-sixth in the past year and a half.

These are some basic facts. I believe that the American people have a right to know them.

However, despite these favorable developments, agriculture is still having some difficult times. Nobody knows that better than I. And nobody is more deeply concerned about it.

I know that the farm part of our economy is not sharing properly in our national prosperity.

My basic and continual concern as Secretary of Agriculture is that farmers of this Nation must participate fairly in our dynamic and prosperous economy. This, too, is your concern.

Our primary effort—and to this task I am wholeheartedly devoted—must be to further improve farm income soundly—not with short-term panaceas which disregard sound economics and basic facts. That being the case, I would like to spend a few minutes with you today discussing the major factor affecting net income—the cost-price squeeze. Here are some facts:

During the period from 1939 to 1952 the index of prices paid by farmers, including interest, taxes, and wage rates, more than doubled. From January 1953, the time this administration took office, to January 1958, this index rose only 6 percent. Make no mistake about it—the heritage left by the previous administration included an inflated cost structure, particularly as far as farmers are concerned.

Farmers who feel daily the impact of the cost-price squeeze realize the effect of inflated costs on net income. They can understand the effect of these inflated costs when they know that although the 1957 gross farm income is up about \$2.3 billion above 1950, farm costs have gone up \$3.7 billion.

If farm costs had stabilized at the 1948 level, then the 1957 realized net income would have been higher by about \$4 billion, or about \$800 per farm. Think of it—\$4 billion consumed in higher costs.

Every thoughtful farmer is disturbed by the recent increases in the cost of steel. It is an understatement to say that this creates hardships to farmers. Must the competitive strength of labor and management forces always be resolved in higher prices? I say "No." Should higher and higher costs keep the net income of farmers from improving further? Again I say "No."

It is not for me to say what labor or industry should do at this juncture. But, as a spokesman for agriculture in the Federal Government, I am concerned by any action which adds to the production costs of farmers at this time. This is an area where restraint and statesmanship are needed for mutual advantage.

There are many weapons with which to fight these rising costs: Some of these are the maintenance of a responsible monetary policy, sound farmer cooperatives, and improved efficiency, particularly in marketing and distribution. Recently, in this area the cooperative efforts of farmers, processors, and the railroads resulted in a reduction in the freight rates for exporting soybean oil. All those who took part in this should derive great satisfaction from this constructive effort.

However, we will never attain satisfactory prosperity by increasing gross income if rising costs are allowed to siphon off all our gains. All responsible segments of our economy should be aware of these facts and give more than lip service to a solution.

One of the major decisions which we have had to make recently has been with respect to the support level for dairy products. Let me make one point clear: One of the most compelling reasons for this decision is that it was required by law—the Agricultural Act of 1949.

Contrary to the tirades of the smoke-screen spreaders, the fact is that under this legislation, the Secretary is required—notice I said "required"—to establish price supports at such levels between 75 and 90 percent of parity as will assure an adequate supply.

Prior to making this determination we checked with the technicians in the Department of Agriculture for their best estimate of the probable output of dairy products in the 1958–59 marketing year at various levels of support. The technicians advised that there was no question but that support at 75 percent of parity would result in the production of more than an adequate supply of dairy products, and that the Commodity Credit Corporation would be required to purchase substantial amounts under the support program. I must carry out my legal responsibilities as specified by Congress.

In addition, we checked with the bipartisan National Agricultural Advisory Commission and the bipartisan Commodity Credit Corporation Advisory Board. In both instances the recommendations to adjust price supports to the 75-percent level was virtually unanimous.

Dairy production has been increasing. The rising production per cow has more than offset the reduction in cow numbers. Production in 1957 was about 12 billion pounds higher than the 1952 level. In view of the record supplies of feed and the high dairy-feed ratio, it is likely that, at the announced support level, production will again outstrip requirements.

We will continue to cooperate fully with the industry in promotion and merchandising programs. The Extension Service and other agencies of the Department will join with the dairy industry in stepped-up efforts to acquaint the consuming public with facts about milk as a health food.

We will continue the nationwide brucellosis cleanup, which has made such excellent progress during the past year under the accelerated program.

We will carry out field educational efforts aimed at sound programs to cull low producers from the Nation's dairy herd—as part of generally increased efficiency in dairy farm operations. The fact that beef prices are good now will help in cases where dairymen want to sell their more unprofitable animals.

We have urged the continuation of programs designed to increase the consumption of fluid milk. We have recommended to the

Congress that they authorize the continuation of the \$75 million special school-milk program designed to increase consumption of milk by children. In addition, we urged continuation of the program under which we are paying about half the cost of milk purchased by military agencies and veteran hospitals above their normal purchases. My fundamental pledge is that we will do everything feasible that is sound and in the interest of dairy producers. Farmers deserve better than short-term soothing syrup that results in a major—if not fatal—disease a year or two later.

One of my great problems as Secretary of Agriculture has been in being misrepresented. There are some who consciously try to do this. Because of the smokescreen of untruth about agriculture which some demagogues have poured out, it sometimes is difficult for some people to distinguish between fact and fiction.

There are several facts I should like to stress here this afternoon.

Fact No. 1: As Secretary of Agriculture, I want to make myself perfectly clear, we have never proposed—and we do not now propose—that we should scrap price supports. There is nothing wrong with the idea of providing more orderly marketing and much-needed stability to agriculture through a sound and realistic storage and loan price-support program.

I should like to quote a very significant paragraph in the President's message: "For commodities like the feed grains, with respect to which the Secretary of Agriculture has had wide discretion in the past, price support has been offered at levels as high as could be justified under the criteria specified by law. This will be the Secretary's practice under the recommended legislation."

The 1958 support prices have followed the policy enunciated above and will continue that way under this administration. Incidentally, in checking back I find that in 1950 and 1951 the price supports for flaxseed, a crop in which the upper Midwest has considerable interest, were established at 60 percent of parity, 5 percentage points lower than our recent announcements.

What is wrong today—and what has been wrong for several years—is the attempt to supply price support and acreage control by rigid formula—to fix prices and acreage allotments by Government mandate. These attempts have failed. Agriculture is a dynamic, changing industry. The farms and ranches of America cannot be run from a desk in Washington, D. C.

Fact No. 2: It was not rigid price supports that forced farm prices up during the forties and early fifties—but it was war, the insatiable demands of war and wartime inflation. Farmers sold all they produced at well above support levels. In fact, their prices would have been higher yet had it not been for Government-imposed price ceilings.

Fact No. 3: It is untrue that high, rigid price supports can hold up farm income, even though surpluses accumulate. The fact is there was just 1 year between 1947 and 1955 that farm income did not decline. In all these years until mid-1955, high, rigid price supports on basic commodities were in effect. Our present farm problem developed under such price supports. If high, rigid price supports were the answer, we would have no problem.

Fact No. 4: The old support program does not materially help the small farmer. The fact is that more than half of our farms market only 9 percent of agricultural production. Obviously, most of the Government dollars are routed in the direction of the biggest producers.

Fact No. 5: Most farm products are being sold competitively and on free markets. It is untrue that most farm prices and incomes are Government supported and on an arti-



ficial basis. Only 19 crops, plus dairy products, are being supported—out of 250 commodities that farmers produce.

Fact No. 6: Agricultural production cannot be successfully controlled by Government action. The fact is that since 1940, the per acre yield of corn has risen 56 percent—wheat, 40 percent—cotton, 67 percent. Last year's yields of all major crops averaged 27 percent above the 1947-49 level. To control crops effectively so as to maintain price at 90 percent of parity would mean setting allotments impossibly low. Congress would never vote such controls. No Secretary of Agriculture could effectively enforce them. And American farmers just wouldn't stand for such regimentation. Agriculture is undergoing a technological revolution which is irreversible. It cannot and should not be controlled by Government mandate.

Fact No. 7: The family farm has been, is now, and always will be the backbone of American agriculture—operated by the most efficient farmers in all the world.

The charges by our opposition that farm programs of this administration are driving people off the farm are not only false—they are ridiculous. The fact is that more people left the farms during the last 4 years of the previous administration than in any other period before or since.

I have cited some of the gains we have made since 1953—and mentioned some of the problems that still exist. To deal with these problems we need to push forward again—we need to supplement the progress that has been made. This is the goal of the new farm, food, and fiber program presented to the Congress in January by the President of the United States. Farmers can look to this program designed to provide a sound solution.

The adoption of this program will mean progress in three general areas:

First: The program will develop bigger markets. We have asked that the surplus disposal program be extended and expanded and that research into new uses for farm products be increased.

We need to drive hard for further expansion of markets. There are no satisfactory substitutes for markets and a Government warehouse is not a market. Forty percent of our record agricultural exports in fiscal 1957 moved under Government programs. The biggest factor in these programs was the Agricultural Trade Development and Assistance Act, or Public Law 480. As you know, this law provides for movement of surplus farm commodities through sales for foreign currencies, barter, donation, and other means. We must push to the limit sales through commercial markets.

Three-fourths of the surplus farm product disposals by CCC in the past fiscal year were made through export channels. More than 60 percent of all our grain exports moved under Government programs.

I wish I could help you visualize how our exports are helping the free world meet the challenge of communism by raising living standards abroad—building goodwill—laying the groundwork for future markets.

We also need increased agricultural research for market expansion. Only about 7 percent of the products of our total farm acreage now go into industrial outlets. Surely we can do better than this. Research can develop new uses and new markets—and there are few things wrong with commercial agriculture that new and expanded markets won't cure.

Second: The recommended program will allow more freedom for farmers. We are seeking revision of the acreage-control and price-support programs to permit farmers more freedom to plant and to widen markets.

The program changes proposed by the President would give farmers more freedom to plant by increasing acreage allotments. Some of these allotments have become so

small as to cripple efficiency. Do you know that 7 out of 9 cotton allotments are less than 15 acres—and that the average burley tobacco allotment is 1 acre?

The program we have proposed would make price supports more realistic by widening the range of supports. The present range of 75 to 90 percent of parity on the basic crops and dairy products does not permit sufficient market growth. These commodities are being priced out of potential markets. Increased allotments and a wider range of price support logically go together.

The program would eliminate the so-called escalator clauses.

These are formulas which provide that the level of price support shall rise as the surpluses decline. So long as this basic law is unchanged farm people can expect to be kept continually under the shadow of price and income depressing surpluses.

Third: We must help the forgotten segment of agriculture—those people on small, low-income farms.

The rural development program as a new and basic approach to the problems of farm families in underdeveloped rural areas has gained wide support. This is truly a national program, going forward in all regions of the country. Objectives of the program have been endorsed by members of both parties, farm organizations, and church groups.

Here in Minnesota farm and nonfarm agencies, working closely together, have initiated a carefully planned rural development program. Their work will give significant help to farm, business, civic, and other lay leaders in your northern counties as they move forward with a long-range program of balanced farm, industry, and community betterment.

As you know, the Minnesota Rural Development Committee has selected three demonstration counties—Hubbard, Itasca, and Carlton. In each of these counties, local citizens and agency workers have joined together to take a fresh look at their resources—and their problems—and to develop a sound, long-range development program which will solve the serious problem of underemployment on farms in the northern area.

Let me congratulate you on the progress of your State in the rural development program which a widely read midwestern farm magazine has called perhaps the soundest of all our efforts so far to deal with the farm problem.

We must move forward by adopting the President's recommendations, so we can consolidate and add to the progress that has been made these past few years.

Bigger markets—more freedom for farmers—special help for the small low-income farms—these are some of the steps which would be taken under the Farm, Food and Fiber Act of 1958 to help farmers make the adjustments they must make. We feel certain they are sound, effective, and reasonable, and they will work to provide the freedoms farmers want.

This is not just another nation—it is not just one of the family of nations. This is a nation with a great mission. I believe with all my heart that it was established by the God of heaven to be a beacon to liberty-loving people everywhere.

Let us pledge ourselves to keep America strong and sound—economically, socially, and above all, spiritually—so that we may fulfill that mission.

Strength and freedom must go hand in hand. That is why we stress so much the need for freedom in agriculture—that our farm people should be free to produce, free to market, free to compete, free to make their own management decisions.

With God's help, we must—we will—have an agriculture that is prosperous, expanding,

and free. Such an agriculture is the basis of a prosperous, expanding, and free America.

SOUTH BOX ELDER FARM

BUREAU FEDERATION,

Honeyville, Utah, March 10, 1958.

Hon. ARTHUR V. WATKINS,

United States Senate,

Washington, D. C.

DEAR SENATOR WATKINS: We had several local farm bureau meetings in our county last fall. In every case it was the opinion of those present that the farmers and the Government should do all possible to bring supply of farm products in line with demand. The farmers felt that high rigid supports had not worked to our advantage. We believe a gradual return to the free-market system as quickly as possible will be to the average farmer's advantage.

We have been notified that several bills were voted out of the Senate Agricultural Committee that will be injurious to our farm people. The purpose behind bills Senate Joint Resolution 150, S. 2913, and Senate Joint Resolution 149 is to continue on with supports as high, if not higher, than 1957 levels. Our farm bureau resolutions state that farmers feel sure this kind of legislation is not the right direction to take. We will never get back to a free agriculture if we continue high supports and controls of our farm products.

We are very serious about this high-support trend. They have not solved the problem in the past. Please use your influence to help turn the tide in Congress back toward a free agriculture. We heartily endorse the recommendations of our beloved Secretary Benson. I, personally, believe that the honesty and the integrity of our lawmakers in doing the right thing will win them more votes than any short-term political maneuvering that is not for the best good of our people.

We hope you will do all you can to help keep our agriculture as free as possible. We sincerely thank you for your support in the past.

Respectfully yours,

RALPH W. TOLMAN,

A Wheat Farmer and President of

South Box Elder Farm Bureau.

SALT LAKE CITY, UTAH, March 12, 1958.

Hon. ARTHUR V. WATKINS,

United States Senate,

Washington, D. C.:

We commend you for your vote against suspending the rule on the supplemental appropriations bill to fix dairy price supports at 1957 level. We are certain that the dairy interests of Utah will be served best if this type of bill dealing with dairy and other commodities is defeated. Our dairy committee voted last week to wholeheartedly support Secretary Benson. There was one dissenting vote from Cache Valley Dairy.

FRANK G. SHELLEY.

BRIGHAM CITY, UTAH, March 10, 1958.

DEAR SENATOR WATKINS: In regards to the agricultural programs before the Senate I would like to express myself as one of the Farm Bureau committeemen, that we do not favor the high price supports on any commodity in any way and would appreciate anything you can do in regards to letting us have our freedom in farming.

Sincerely,

NEWELL C. CHECKETTS.

CORINNE, UTAH, March 10, 1958.

Hon. ARTHUR V. WATKINS,

United States Senate,

Washington, D. C.

DEAR SIR: We would appreciate your vote against any bills to peg farm prices.

We would like to get Government out of agriculture as soon as it can be done safely.

Respectfully,

FLOYD G. CARTER.



Mr. WATKINS. Mr. President, I yield the floor.

Mr. BUSH. Mr. President, will the Senator from California yield one-half a minute to me, in order that I may comment on the remarks made just now by the distinguished Senator from Utah?

Mr. KNOWLAND. I yield one-half a minute to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for one-half a minute.

Mr. BUSH. Mr. President, I desire to congratulate the Senator from Utah [Mr. WATKINS] for the splendid statement that he has just made. I particularly desire to commend and congratulate him for the effective statement he has made in approval of the Secretary of Agriculture, a distinguished citizen of the Senator's own State. I desire to join the Senator from Utah in full endorsement of Secretary Benson and his policies.

I would add to what the Senator from Utah has said that I have profound admiration for the Secretary of Agriculture as an individual. He is a great citizen and a great public servant.

I believe that one of the most shameful comments which can be made on our day and age is that a man of such fine qualities, who has been so sound economically, morally, and otherwise, has been abused politically in the way he has been in the political battle in this country.

So I certainly thank the Senator from Utah for the statement he has made; I warmly commend him for his remarks concerning Ezra Taft Benson.

Mr. WATKINS. I thank the Senator from Connecticut.

I wish to have all Members of the Senate realize that those of us who know best the Secretary of Agriculture, Mr. Benson, have an extremely high regard for his judgment, his ability, and his integrity. He is not a theoretical farmer. He is a dirt farmer who knows the farm from the ground up. He has at heart the best interests of the American farmer and the American farm. No one can honestly dispute that that is not so.

The PRESIDING OFFICER. The time yielded to the Senator from Connecticut has expired.

The Senator from California has 3 minutes remaining under his control. The Senator from Louisiana has 6 minutes remaining under his control.

Mr. JOHNSON of Texas. Mr. President, on the question on the passage of the joint resolution, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. ELLENDER. Mr. President, I yield 1½ minutes to the Senator from Texas [Mr. YARBOROUGH].

The PRESIDING OFFICER. The Senator from Texas is recognized for 1½ minutes.

Mr. YARBOROUGH. Mr. President, I desire to commend the distinguished Senator from Louisiana [Mr. ELLENDER] and the Committee on Agriculture and Forestry for bringing these joint resolutions before the Senate at this time.

Mr. President, today the agricultural segment of our population is in dire distress.

Today one Member of the Senate stated that he did not like to see distress and emergency cited as a reason for support of a measure in the Senate. I desire to point out that the farmer does not like to have distress visited upon him, either. But it has come to him just the same; it exists.

Mr. President, I hold in my hand the bible of Bensonism, namely, a statement issued by the Committee for Economic Development in December 1957. That committee has 100 trustees. If the committee had its way, 1,225,000 farmers out of the 4 million left in America, would be driven off the land—why? Because the Committee for Economic Development says that many farmers, 1,225,000, do not earn enough to justify their remaining on the land, because the value of their products is less than \$2,500 per farm per year.

Mr. President, I have searched carefully the list of the 100 trustees of the Committee for Economic Development, in an effort to find on that entire list, even one farmer. The only one of the trustees recommending the elimination of 1,225,000 farm families whose occupation approaches farming, is the chairman of the board of the Quaker Oats Co. He "shoots it out of guns." [Laughter.]

Mr. President, during the 4 years under Secretary Benson from 1952 to 1956, the profits of the Quaker Oats Co., increased 69 percent, and the profits of the Safeway Food Stores increased 246 percent in the same 4 years.

Mr. President, the present administration is an administration for processors and the packers, but not for the farmers. It is an administration that is against the farmers.

In my State of Texas 8,000 farmers were forced off the farms each year during each of the last 6 years, and farm income in Texas has decreased from a net of \$2,200 per farm in 1952 to a net of \$1,800 per farm in 1956. The number of our farmers has steadily declined and their income has likewise declined over the past 5 years. The income of farmers has gone down as price supports have gone down as shown by the tables I hold here.

The PRESIDING OFFICER. The time yielded to the Senator from Texas has expired.

Mr. YARBOROUGH. Mr. President, I should like to have the Senator from Louisiana yield an additional one-half minute to me.

Mr. ELLENDER. I am sorry, but I do not have any time to spare.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent to have printed at this point in the Record the tables I now have before me.

The PRESIDING OFFICER. Is there objection?

There being no objection, the tables were ordered to be printed in the Record, as follows:

#### OPERATING FARM INCOME PROTECTION PROGRAMS

##### Summary—Support price of farm commodities

[Established by Secretary of Agriculture under applicable laws]

Commodity	1952	1955	1956	1957	1958	
					Benson <sup>1</sup>	Congress <sup>2</sup>
Index of farm costs.....	287	281	286	292		
Wheat.....	\$2.20	\$2.08	\$2.00	\$2.00	\$1.78	\$2.00
Corn.....	1.60	1.58	1.50	1.40	( <sup>3</sup> )	1.40
Cotton <sup>4</sup> .....	.31	.32	.29	.29	( <sup>3</sup> )	.29
Peanuts.....	.12	.12	.11	.11	( <sup>3</sup> )	.11
Rice.....	5.04	4.66	4.57	4.72	( <sup>3</sup> )	4.72
Tobacco (11-14).....	.506	.483	.49	.51	( <sup>3</sup> )	( <sup>3</sup> )
Butterfat.....	.692	.562	.586	.586	.549	.586
Milk, manufacturing.....	3.85	3.15	3.25	3.25	3.00	3.25
Wool.....	.542	.62	.62	.62	.62	.62
Barley.....	1.22	.94	1.02	.95	.93	.95
Oats.....	.78	.61	.65	.61	.61	.61
Rye.....	1.42	1.18	1.27	1.18	1.10	1.18
Sorghum, grain.....	2.38	1.78	1.97	1.86	1.83	1.86
Flaxseed.....	3.77	2.91	3.09	2.92	2.78	2.92
Soybeans.....	2.56	2.04	2.15	2.09	2.09	2.09
Beans, dry edible.....	7.87	6.36	6.31	6.31	6.18	6.31
Cottonseed.....	66.70	46.34	48.60	46.20	41.00	46.20

<sup>1</sup> Announced by Secretary of Agriculture.

<sup>2</sup> In bills approved by congressional committees.

<sup>3</sup> Seven-eighths inch official grade for support purposes. Support prices of average grade are about 2 cents per pound higher than figures shown.

<sup>4</sup> Corn produced in compliance with acreage allotments. Noncompliance corn was supported at \$1.25 in 1956 and \$1.10 in 1957.

<sup>5</sup> Not available.



*Here are the facts on farm income*

	Gross income per farm, by States		Realized net income per farm, by States		Total net income per farm, by States	
	1952	1956	1952	1956	1952	1956
Michigan.....	\$5,534	\$5,771	\$2,146	\$1,989	\$2,300	\$2,040
Wisconsin.....	7,633	7,276	3,192	2,555	3,528	2,723
Minnesota.....	7,919	8,361	2,949	2,839	3,321	3,188
Iowa.....	11,834	11,393	4,009	3,738	5,452	3,303
Indiana.....	7,299	7,463	2,773	2,453	2,520	2,316
Missouri.....	5,238	5,481	2,073	2,137	2,095	2,148
North Dakota.....	8,775	9,643	3,329	3,390	2,804	3,545
South Dakota.....	9,178	8,388	3,110	2,557	3,021	2,520
Nebraska.....	11,535	9,419	3,806	2,776	4,729	2,081
Kansas.....	9,786	7,545	3,809	2,052	4,247	1,348
Virginia.....	4,138	4,237	1,741	1,604	1,762	1,707
Kentucky.....	3,290	3,428	1,624	1,674	1,652	1,734
Tennessee.....	2,894	2,916	1,492	1,359	1,368	1,273
Alabama.....	2,850	3,236	1,378	1,379	1,350	1,209
Arkansas.....	3,912	4,789	1,873	2,137	1,881	1,814
Louisiana.....	3,995	3,782	2,056	1,616	2,151	1,507
Oklahoma.....	5,514	4,557	2,187	1,327	2,097	941
Texas.....	7,322	6,720	2,873	2,280	2,706	1,828
Montana.....	11,647	12,152	5,038	5,259	5,096	4,543
Idaho.....	9,976	10,149	3,725	3,434	4,439	3,422
Wyoming.....	13,525	11,107	4,457	2,524	4,668	2,814
Colorado.....	14,005	10,865	4,180	1,838	4,423	1,777
Utah.....	7,577	6,790	2,612	2,102	3,044	2,133
Washington.....	8,778	8,718	3,557	3,154	3,879	2,838
Oregon.....	7,752	8,129	2,762	2,790	3,233	2,896

Mr. ELLENDER. Mr. President, I yield one-half a minute to the Senator from Colorado [Mr. CARROLL].

The PRESIDING OFFICER. The Senator from Colorado is recognized for one-half a minute.

Mr. CARROLL. Mr. President, I rise to commend the very able Senator from Louisiana [Mr. ELLENDER], the chairman of the Committee on Agriculture and Forestry, and to associate myself with the remarks made by the distinguished junior Senator from Minnesota [Mr. HUMPHREY] and the distinguished junior Senator from Kansas [Mr. CARLSON].

In regard to wheat, I have only this to say: In 1956, when Secretary Benson had an opportunity to reduce the wheat price support to 77 percent of parity, he did not do so. Instead, he kept the support for wheat at \$2.

Now he has reduced wheat to \$1.78.

I deplore Mr. Benson's failure to use this discretionary power he has to hold wheat at a fair price in this period of sharp economic decline.

It was in July of 1956 that Mr. Benson used his discretionary powers and held wheat at \$2. This was a general election year. Mr. Benson has pursued a vacillating policy on wheat price supports, apparently dictated by politics. A few months after the 1956 election he dropped wheat to \$1.78.

Now in this year of economic distress Mr. Benson is perversely determined to hold wheat at the legal minimum.

The wheat farmer is just emerging from a prolonged drought. For almost 5 years high plains wheat farmers have been either dried out, blown out or hauled out.

Colorado farmers are in a state of economic distress. Their costs are soaring and now the Secretary wants to reduce the price the Colorado farmer gets for his wheat crop.

I propose that prices for farm products be held in balance until a sensible farm program can be developed by the Congress.

Mr. President, by means of the pending joint resolution all we are asking is that in a period of economic decline the Secretary of Agriculture give the wheat farmers the same consideration he gave them in 1956, and that he take similar action regarding the producers of other agricultural commodities.

The PRESIDING OFFICER. The time yielded to the Senator from Colorado has expired.

The Senator from Louisiana has 4 minutes remaining under his control. The Senator from California has 3 minutes remaining under his control.

Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, supplementing some of the remarks I made a while ago in the limited time I had, and with reference to the repeated statement which has been made that this administration has driven farmers from the farms, I wish to point out that in the past 5 years, under the present administration, about 2,250,000 persons have left the farms. In the previous 5 years, under a Democratic administration, more than 3,500,000 persons left the farms. Those are official figures from the Department of Agriculture.

I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from California has 1½ minutes remaining, and the Senator from Louisiana has 4 minutes remaining.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that there may be a quorum call without the time being charged to either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Alken	Goldwater	McNamara
Allott	Gore	Monroney
Anderson	Green	Morse
Barrett	Hayden	Morton
Beall	Hennings	Mundt
Bible	Hickenlooper	Neuberger
Bricker	Hill	O'Mahoney
Bridges	Hoblitzell	Pastore
Bush	Holland	Payne
Butler	Hruska	Potter
Byrd	Humphrey	Proxmire
Capehart	Ives	Purtell
Carlson	Jackson	Revercomb
Carroll	Javits	Robertson
Case, N. J.	Jenner	Russell
Case, S. Dak.	Johnson, Tex.	Saltonstall
Chavez	Johnston, S. C.	Schoeppel
Church	Kefauver	Scott
Clark	Kennedy	Smith, Maine
Cooper	Kerr	Smith, N. J.
Cotton	Knowland	Sparkman
Curtis	Kuchel	Stennis
Dirksen	Langer	Symington
Douglas	Lausche	Talmadge
Dworsbak	Long	Thurmond
Eastland	Magnuson	Thye
Ellender	Malone	Watkins
Ervin	Mansfield	Wiley
Flanders	Martin, Iowa	Williams
Frear	Martin, Pa.	Yarborough
Fulbright	McClellan	Young

The PRESIDING OFFICER. A quorum is present.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. How much time remains for both sides?

The PRESIDING OFFICER. The Senator from Louisiana has 4 minutes remaining, and the Senator from California has 1½ minutes remaining.

Mr. KNOWLAND. Out of my 1½ minutes, I yield myself a half minute.

The PRESIDING OFFICER. The Senator from California.

Mr. KNOWLAND. I rise to oppose the joint resolution. I believe it is contrary to the public policy established by the Congress of the United States. It is contrary to the policies of the Department of Agriculture, operating under the laws passed by Congress. It is opposed by the President of the United States. I believe it would be detrimental to American agriculture. I hope the resolution will be rejected.

I yield the remainder of the time allotted to me to the Senator from Illinois [Mr. DIRKSEN].

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DIRKSEN. Mr. President, I shall take only a minute to read a telegram which has already been presented. It is addressed to me:

Senate Joint Resolution 162 rigidly fixing price supports and acreage allotments is against the long time interest of farmers and should not be approved.

That is signed by Charles B. Shuman president of the American Farm Bureau Federation. If the farmers wanted this done he certainly would not send this kind of telegram.

The PRESIDING OFFICER. The time of the Senator from California has expired.



The Senator from Louisiana is recognized.

Mr. ELLENDER. Mr. President, I yield the remainder of my time to the distinguished Senator from Texas [Mr. JOHNSON].

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. JOHNSON of Texas. Mr. President, the joint resolution before us today is one which would seek to bring some help to a part of our economy which was depressed long before the word "recession" began to dominate the headlines.

America's farmers—the people who produce our food and fiber—have been suffering a decline in income for 6 years. Once again we have a demonstration of a basic fact of American history.

It is that if one part of our economy is in bad shape, it will pull the others down with it.

In 1951, the total net income of farmers was \$16.1 billion. In 1957, it had fallen to \$11.6 billion—a \$4½ billion loss.

Mr. President, on page 198 of the hearings on the farm program before the Committee on Agriculture and Forestry Senators will find it stated that in the year 1957 the people who loaned the money in this country had a personal interest income of \$18.8 billion, while farm income was only \$11.6 billion. In other words, the men who loaned the money had more income than the 20 million farm population who produced the food and fiber. The bankers made more than the farmers.

Mr. President, under any circumstances, this loss in income would call for some action solely out of the dictates of humanity. But to our natural concern for fellow human beings must be added the depressing effect that hard times on the farm have had on everybody else.

For the past few years, anyone driving into a small town could not fail to note the tremendous stock of equipment in the backyard of the farm equipment dealer. It represented equipment that he could not sell because the farmers in his neighborhood could not buy.

Hard times for the farmer in Texas relates directly to hard times for the industrial worker in Wisconsin or Illinois or California. When the farmer cannot buy, the manufacturer cannot sell and everyone—farmer, workman and businessman—suffers.

Furthermore, the farmer has been caught in a particularly cruel squeeze. Since 1951, prices by farmers have gone down 20 percent. But farm operation costs have gone up 15 percent. In other words, it cost the farmer more to make less money.

What we are doing here today is essentially very modest. By approving this measure, we are saying that the powers of government cannot be used to drive farm income even lower than it was in an admittedly bad year.

I think there is a note of tragedy in the fact that we must consider legislation in this great body to prevent our Government from making things worse. But the circumstances are such that we do have to act and act quickly in the

face of the clearly announced policy of the Department of Agriculture.

Secretary Benson reconfirmed only this morning that he is determined to lower dairy support prices from \$3.25 per hundredweight to around \$3.02 on April 1. He has already announced that he plans to lower wheat supports from \$2 per bushel to \$1.78. And he intends to offer less in dollars and cents as the support level for feed grains.

Yesterday we passed a housing bill to stimulate home building in our country. We did so not only because our people need homes, but because we thought that if times were better in the housing industry, it might pull up other parts of the economy with it.

Today, we act upon farm legislation which we hope will halt to some extent the downward trend. We do so again because we feel that the alternative is to pull the economy down even further.

We have other measures upon which I hope there will be early action—a highway bill; a capital credit bill for small business; the 1½-billion omnibus rivers and harbors bill, and many others.

I am convinced that we can work our way out of the current recession as long as we do not seek to divide our country by providing good times for some at the expense of others. We must work on the assumption that all must have a reasonable share of prosperity for any to have a reasonable share of prosperity. This measure does not come to us under partisan auspices. It was approved by a 12-to-2 vote in our Senate Agriculture and Forestry Committee.

We have seen the futility of commodity groups trying to go it alone on farm legislation, and we have seen foes of effective farm protection try to play one commodity group against the other in the past—to the detriment of all in the end. On this present resolution our commodity groups are united, standing shoulder to shoulder, knowing that it is the only way to success.

The resolution reflects the determination of members of both parties to protect agriculture from further pressures towards lower income. I commend it to the favorable attention of my colleagues.

I wish to commend the efforts of the very able Senator from Louisiana [Mr. ELLENDER], the very able Senator from Minnesota [Mr. HUMPHREY], and all members of the Committee on Agriculture and Forestry, for the contribution they have made in reporting the resolution. I hope that the joint resolution will be overwhelmingly passed by the Senate.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

The joint resolution is open to amendment.

SEVERAL SENATORS. Vote! Vote! Vote!

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading of the joint resolution.

The joint resolution was read the third time.

The PRESIDING OFFICER. The question is on passage of the joint resolution. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Montana [Mr. MURRAY] and the Senator from Florida [Mr. SMATHERS] are absent on official business.

On this vote the Senator from Montana [Mr. MURRAY] has a pair with the Senator from Utah [Mr. BENNETT]. If present and voting the Senator from Montana [Mr. MURRAY] would vote "yea," and the Senator from Utah [Mr. BENNETT] would vote "nay."

Mr. DIRKSEN. I announce that the Senator from Utah [Mr. BENNETT] is absent because of illness in his family.

The Senator from Utah [Mr. BENNETT] is paired with the Senator from Montana [Mr. MURRAY]. If present and voting, the Senator from Utah would vote "nay," and the Senator from Montana would vote "yea."

The result was announced—yeas 50, nays 43, as follows:

#### YEAS—50

Alken	Hennings	Mundt
Allott	Hill	Neuberger
Bible	Humphrey	O'Mahoney
Carlson	Jackson	Proxmire
Carroll	Johnson, Tex.	Russell
Case, S. Dak.	Johnston, S. C.	Schoeppel
Chavez	Kefauver	Scott
Church	Kennedy	Sparkman
Clark	Kerr	Stennis
Cooper	Langer	Symington
Douglas	Long	Talmadge
Eastland	Magnuson	Thurmond
Ellender	Mansfield	Thye
Ervin	McClellan	Wiley
Fulbright	McNamara	Yarborough
Gore	Monroney	Young
Green	Morse	

#### NAYS—43

Anderson	Frear	Martin, Pa.
Barrett	Goldwater	Morton
Beall	Hayden	Pastore
Bricker	Hickenlooper	Payne
Bridges	Hoblitzeil	Potter
Bush	Holland	Purtell
Butler	Hruska	Revercomb
Byrd	Ives	Robertson
Capehart	Javits	Saltonstall
Case, N. J.	Jenner	Smith, Maine
Cotton	Knowland	Smith, N. J.
Curtis	Kuchel	Watkins
Dirksen	Lausche	Williams
Dworshak	Malone	
Flanders	Martin, Iowa	

#### NOT VOTING—3

Bennett	Murray	Smathers
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So the joint resolution (S. J. Res. 162) was passed, as follows:

*Resolved, etc.,* That in order to prevent reductions in support prices or acreage allotments prior to consideration by Congress of such changes in the price support and acreage allotment laws as may be necessary at this time—

(1) the support price (in terms of dollars and cents) for any agricultural commodity, except tobacco, shall not be less than that available for such commodity during the marketing year or season which began in 1957; and

(2) the total acreage allotted for any agricultural commodity, except tobacco, shall not be less than that allotted for the 1957 crop of such commodity, and sections 302, 303, and 304 of the Agricultural Act of 1956 (relating to minimum National, State, and farm acreage allotments for 1957 and 1958) shall be extended to apply to each crop of upland cotton and rice, respectively, to which this resolution is applicable.

This resolution shall be effective only until such time as Congress shall make other provision for price supports and acreage allotments and provide for the repeal of this resolution. Nothing in this resolution shall



be construed to repeal or modify any law enacted in the 2d session of the 85th Congress or to require price support to be made available if marketing quotas have been disapproved by producers, or to noncooperators in the case of any basic agricultural commodity.

Mr. ELLENDER. Mr. President, I move that the vote by which the joint resolution was passed be reconsidered.

Mr. JOHNSON of Texas. Mr. President, I move to lay that motion on the table.

The motion to reconsider was laid on the table.

#### STAY OF REDUCTIONS IN DAIRY PRICE SUPPORTS.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of calendar No. 1376, Senate Joint Resolution 163.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 163) to stay any reduction in support prices for dairy products until Congress can make appropriate provision for such support prices.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas [Mr. JOHNSON].

The motion was agreed to; and the Senate proceeded to consider the joint resolution.

Mr. JOHNSON of Texas. Mr. President, I rise to ask the distinguished chairman of the Committee on Agriculture and Forestry if he anticipates that any amendments will be offered to this joint resolution?

Mr. ELLENDER. I do not.

Mr. JOHNSON of Texas. Can the Senator give any indication as to how much time will be used under the unanimous-consent agreement?

Mr. ELLENDER. Let me say this to my good friend from Texas: This joint resolution would prevent any reduction in dairy product price supports until Congress has had an opportunity to consider such further legislation as may be appropriate. Without this legislation, such supports will drop at the end of this month from \$3.25 per hundredweight for manufacturing milk to \$3.03 cents per hundredweight, and from 58.6 cents per pound for butterfat to 56.2 cents per pound. The committee has heard many varying views as to what form permanent legislation with respect to dairy products should take, and it would not be possible to give adequate consideration to these views and provide satisfactory permanent legislation in time to prevent the injury which would occur to farmers and the farm program if the prospective drop in support prices is permitted.

Now, the issue to be decided by the Senate in voting on this resolution is basically the same as that we voted upon a few minutes ago when Senate Joint Resolution 162 was passed. Since the measure now before us is confined to dairy products, and since the plight of our dairy farmers has been discussed at length during debate on Senate Joint

Resolution 162, I hope the Senate will promptly vote on the pending resolution. I do not think it requires further extended discussion. As a matter of fact, I am prepared to yield back the time allotted to me if my colleagues on the other side of the aisle are willing to do likewise.

Mr. JOHNSON of Texas. I have been asked by several Senators whether or not to expect a yea-and-nay vote shortly.

I do not know how many Senators expect to address the Senate. I wonder if the minority leader has received any requests for time on his side.

Mr. KNOWLAND. I have not, but I shall make inquiry.

Does any Senator desire time on the joint resolution?

Mr. MUNDT. I shall wish some time.

Mr. AIKEN. I should like to have about 5 minutes.

Mr. KNOWLAND. Perhaps we had better proceed in regular order.

Mr. President, I yield 4 minutes to the Senator from Michigan.

Mr. POTTER. Mr. President, my views on the joint resolution are best expressed by the Michigan Milk Producers' Association, in a letter dated December 23, 1957, which I shall now read into the RECORD:

MICHIGAN MILK  
PRODUCERS' ASSOCIATION,  
Detroit, Mich., December 23, 1957.

The Honorable CHARLES E. POTTER,  
Senate Office Building, Washington, D. C.

DEAR SENATOR POTTER: We know that you are deeply interested in the welfare of the dairy farmers of Michigan and this important industry that contributes so much toward a strong economy for the State. We, therefore, take this opportunity to express our views and opposition on the recent action by the Secretary of Agriculture in reducing the price support levels of milk and dairy products.

We seriously question the stated reasoning for such action. There is nothing in the record to prove that such a reduction will reduce production or increase consumption. In fact, producers more than likely will increase production to maintain their level of income and history indicates that other groups in the industry will quickly take up the slight reduction that might be in store for the consumer on the finished product. Moreover, there is no indication that the consumer would buy additional quantities of dairy products if this slight reduction was completely passed on to them. Prices received by dairy farmers are substantially less than they were in 1952; at the same time the consumer is paying more now for dairy products than 5 years ago.

The plight of the dairy farmers is serious. He is constantly faced with increased costs of production and being forced to produce more and more to protect his present investment and meet the current demands of the technological changes.

The following resolution, passed unanimously by the delegates of this association, representing 16,000 Michigan dairy farmers, clearly states our position:

#### "PRICE SUPPORT

"The problem of inadequate income faced by Michigan dairymen is in a large measure a national problem and is being experienced by farmers throughout the Nation. Local action alone cannot bring about a satisfactory, long-term solution.

"The basically unhealthy situation of rising costs without proportionate increases in returns for products sold is causing severe hardship for many dairy farmers. Ultimately, this situation will endanger not

only the economy of the entire Nation, but the health and welfare of its citizens as well.

"Raising of the support level of dairy products would be of immediate help to all dairy farmers. An increase in the support price for milk would benefit dairy farmers selling to fluid markets regulated by Federal orders by raising the basic formula. We urgently request the Secretary of Agriculture to raise the support levels on dairy products to the maximum allowed under the law."

We doubt that this action will accomplish any purpose other than to reduce the already too low income of dairy farmers. This action might possibly save the Government \$15 million, but will cost the dairy farmers of the Nation over \$300 million.

We, therefore, strongly oppose the action taken in reducing dairy support levels. We would like to discuss our views on this matter with you in the near future.

Very truly yours,

GLENN LAKE,  
President.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, on December 18 the Secretary of Agriculture announced a cut in the support price for manufacturing milk, to take effect on April 1. He did this ostensibly to reduce what he considered to be a surplus of dairy products on hand and a surplus in the process of production.

The question is, Do we actually have surplus dairy products in this country over and above what is necessary to assure us what we need?

The PRESIDING OFFICER (Mr. CLARK in the chair). The Senate will be in order.

Mr. AIKEN. The Department of Agriculture statistics show, according to the booklet, *The Dairy Situation*, issued in February 1958, that in 1957 there was an increase over 1956 of 900 million pounds in the production of milk in this country. Other statistics show that there was an increase in the consumption of over 2 billion pounds of milk in this country.

In February, figures issued by the Department of Agriculture indicated that the production of milk this year is increasing at the rate of one-third of 1 percent. Our population is increasing at the rate of one-half to 1¼ percent per year. Half the milk in this country is sold in fluid milk areas, and it is important to have a supply of 120 percent in these areas in order to be assured of meeting the needs of dairy products on special occasions during special weather conditions and at other times. Thus it is necessary to have a surplus of 20 percent.

Three years ago, the Commodity Credit Corporation owned the equivalent of 10½ billion pounds of milk. On January 1 of this year it owned only 1¼ billion pounds of milk. The surplus is being reduced. Milk is not being produced as fast as consumption is increasing. Probably 4 or 5 percent more milk is now being produced to take care of our increase in population. That is little enough to guarantee all the people of the Nation an adequate supply of dairy products.

If we desire to guarantee them an adequate supply of butter, ice cream, cheese, and so forth, we must have a



surplus of powdered skim milk. That is what the Federal Government should take off the hands of the processors, because that surplus is carried in the interest of the consumers, rather than the farmers.

How do we stand at present? The announcement of the Secretary on December 18 should have been the cue for every processor and every dealer in the country to start unloading his butter onto the Federal Government, rather than to take the loss of 2½ cents a pound in the price of butter on April 1. They have done that. The processors have been taking cream out of storage. They have been putting it and all fresh cream into butter.

Despite the fact that the Government is getting all the excess butter now, it has only some 50 million pounds on hand. Yet that is quite a lot of butter.

On behalf of the State welfare representatives, I called the Department of Agriculture on February 10 and asked, "Why do you not release any of this butter for the needy people of the country, for those on relief, as our State welfare boards do?" I was advised that every pound of butter was committed for sale.

On February 12, I received from the Department of Agriculture a report showing that out of 45 million pounds of butter on hand then, 23 million pounds were still uncommitted. That did not make sense.

On February 18, 1958, I wrote to the Secretary of Agriculture, asking him for an explanation as to why no butter was available for the needy people of the Nation, and why the Department was holding on to every single pound it had. At that time the Department had some 50 million or 55 million pounds on hand.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the letter I wrote to the Secretary of Agriculture on February 18, 1958.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 18, 1958.

HON. EZRA TAFT BENSON,  
Secretary, Department of Agriculture,  
Washington, D. C.

DEAR EZRA: Welfare officials of the State of Vermont wrote to me last week requesting that the Department of Agriculture release some of its stocks of surplus butter for distribution among the needy people of our State.

The Food Distribution Division, AMS, subsequently advised me on February 10 that all butter stocks on hand were committed for sale. However, an availability report from the Livestock and Dairy Division, CSS, dated February 12, shows 44,677,796 pounds of butter are presently available, of which 23,578,924 pounds are uncommitted.

I would appreciate knowing when the committed stocks are to be moved out of storage and for what purpose they are committed for sale.

I would further urge that uncommitted stocks be made available for donation to State welfare agencies.

Sincerely yours,

GEORGE D. AIKEN.

Mr. AIKEN. Mr. President, on March 10, 1958, I received a letter from Secretary of Agriculture Benson which reads as follows:

DEPARTMENT OF AGRICULTURE,  
Washington, D. C., March 10, 1958.

HON. GEORGE D. AIKEN,  
United States Senate.

DEAR SENATOR AIKEN: This is in reply to your letter of February 18 in which you request clarifying information regarding the present status of our butter stocks and urge that any uncommitted supplies be made available for distribution to needy persons.

We regret that you were given the impression that all butter stocks on hand as of February 10 were committed for sale, because such was certainly not intended. Actually, the 44,677,796 pounds of butter shown as available on the report to which you refer was the quantity that had not been definitely assigned to a specific program. The latest comparable figure (for February 19) is approximately 49.4 million pounds. Your inquiry therefore as to its availability for distribution to welfare families is thoroughly understandable.

This matter has been under constant review now for several weeks. However, in view of the needs for school lunch programs, approximating 65 million pounds annually, for charitable institutions, and for planned sales programs, we have thus far not felt that stocks have been sufficient to begin general distribution to needy persons.

It would appear unwise to start such donations without being relatively certain that current stocks and prospective accumulations will permit distribution over a reasonable period to needy families in all participating States.

We are watching this situation very closely. Any change in policy will be brought to your attention. Thank you for your letter and your interest in this matter.

Sincerely yours,

E. T. BENSON.

It will be seen from that letter that instead of having a tremendous surplus of butter, which might have been expected after the Department had tipped off the processors to turn it over to the Government, the Department did not even have enough to supply the school-lunch program through this year. They did not have enough even to begin distributing to charitable institutions. They did not have enough to spare any for the people on relief.

Does that indicate a surplus? I should like to know what the Department is up to. It is obvious that, come the 1st of April, with the cut in price impending, the Government will own every pound of butter in the United States, except what is needed for sale the next morning.

Certainly the manufacturers are not going to hold the butter back and take a sure loss of 2½ cents a pound. They are going to turn it over to the Government and buy it back on April 1 at a reduced price, which, on a million pounds, would mean more than \$20,000. That is a pretty good amount for a dairy processor to make or lose.

The question is, Are we about to embark on a course which will not only bend down the income of the dairy farmers, at least for the next several months, but will also jeopardize the future supply of fresh milk and dairy products for the people of the Nation?

The PRESIDING OFFICER. The time of the Senator from Vermont has expired.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the distinguished Senator from New York.

Mr. JAVITS. Mr. President, I favored a flexible percentage of parity price supports in the House of Representatives, where I had the honor to serve for 8 years. I felt that the flexible parity support price idea was essential, both from the point of view of the tax burden and the consumer's price point of view; and when operated in conjunction with other programs, such as the disposal of surpluses abroad, industrial experimentation and research, husbandry of land, conservation practices, and rural credit, all of which would represent an effective farm program for the country.

I am of the same mind now. But I feel that the concept to which I am a party must stand or fall by its ability to withstand stresses and strains.

Accordingly I shall support this resolution because I believe, in respect to the dairy farmer, that there is particular stress and strain now. I see it reflected in my State, which is the second largest dairying State in the Nation.

I have a deep feeling that the support price reduction which is so imminent is directly related to the requirements of law rather than to the requirements of economics. Therefore, I shall vote for the resolution in order to give an opportunity for the letter of the law to catch up with the economics of the situation.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the distinguished Senator from Texas.

Mr. YARBOROUGH. Mr. President, Texas is 12th among the States of the Union in the value of milk production, but that is not inconsiderable, because the production of Texas exceeds that of the great States of Washington and Oregon combined.

The value of milk and dairy products in the agriculture of Texas, is fifth among all the commodities produced in Texas, despite our large production of cotton, corn, grain sorghums, rice, peanuts, citrus fruit, and other crops.

But aside from that, there is another reason why I support the joint resolution. Despite our relatively large production, we import large quantities of dairy products from Wisconsin, Minnesota, Iowa, and California. We import milk itself in tank trucks from Iowa, Minnesota, Wisconsin, California, New Mexico, and other States. But the basic reason is that agriculture is in trouble in America today. Agriculture needs the help of this body, and the only way agriculture can get help from the Senate is for Senators from the farm States to stand together. That was proved in a crystal-clear manner by the passage of Senate Joint Resolution 162. The distinguished minority leader recognized that in his final appeal for the passage of the joint resolution.

I think it is time for Senators from the farm States to form a coalition or an alliance to save American agriculture. It is time for us to stand shoulder to shoulder in a solid phalanx, from the Gulf of Mexico to the Canadian border, and from the Atlantic to the Pacific.

I am glad to join with the distinguished senior Senator from Minnesota [Mr. THYE] and the distinguished junior Senator from Minnesota [Mr. HUMPHREY].











MARCH 17, 1958

HOUSE

16. PRICE SUPPORTS. The Agriculture Committee ordered reported with amendment S. J. Res. 162, to prohibit any reduction in price supports or acreage allotments for any commodity, except tobacco, below 1957 levels (p. D220). It is understood that the committee agreed to an amendment limiting the measure to one year. Reps. McCormack, Albert, and Halleck discussed the date for calling up the measure, and Rep. McCormack stated that it could be considered this week (pp. 4052-3).
17. WILDLIFE. Passed without amendment H. R. 10679, to allow the Secretary of the Interior to use funds available under the Migratory Bird Hunting Stamp Act to acquire by lease, purchase, or exchange, small wetland and pot-hole areas to be designated as "Waterfowl Production Areas." p. 4054  
By unanimous consent recommitted a similar bill, H. R. 10803, to the Merchant Marine and Fisheries Committee. p. 4054
18. FOREST SERVICE. The Agriculture Committee reported with amendment H. R. 7953, to facilitate and simplify the work of the Forest Service, with the deletion of Section 8, which would have required forest road and trail users to pay maintenance costs for such roads (H. Rept. 1505). p. 4083
19. TOBACCO. The Agriculture Committee reported without amendment H. R. 11058 to reduce the acreage allotments of tobacco farmers who harvest more than one crop of tobacco in a year from the same acreage (H. Rept. 1506). p. 4083
20. MEATPACKERS. The Interstate and Foreign Commerce Committee reported with amendment H. R. 11234, to vest in the FTC jurisdiction over meatpacker trade practices in selling other produce than livestock or poultry (H. Rept. 1507). p. 4083
21. CORN. At the request of Rep. Ford, passed over H. R. 10316, to exclude Ottawa County, Mich., from the commercial corn-producing area during 1958. p. 4053
22. RECLAMATION. The Interior and Insular Affairs Committee reported with amendment S. 1031, to construct and maintain four units of the Greater Wenatchee project, Wash. (H. Rept. 1504). p. 4083
23. INFORMATION. Struck from the Consent Calendar, at the request of Rep. Byrnes, Wis., H. R. 2767, to restrict the authority of Federal officers and agencies to withhold information and limit the availability of records. p. 4058
24. UNEMPLOYMENT. Several Reps. discussed unemployment and the economic situation (pp. 4052, 4061-2, 4075-9, 4082). Rep. Christopher contended that the source of new wealth was the producer of raw materials, including the farmer, and that the decline in farm income was a factor in promoting recession (pp. 4076-7)
25. PERSONNEL; SECURITY. Rep. Walter inserted correspondence with the League of Women Voters in which he urged the adoption of S. 1411, which makes all Government jobs sensitive insofar as security is concerned. pp. 4059-60
26. SMALL BUSINESS LOANS. Rep. Coffin spoke on the value of Small Business Administration loans in granting help in any disaster areas. pp. 4062-3



27. **TRADE AGREEMENTS.** Rep. Bailey criticized the Commerce Department for making surveys of Congressional districts to determine the importance of imports and exports to the economy of such districts, and asserted that the estimates of jobs linked to exports was exaggerated, pp. 4066-7
28. **BUDGETING.** Received from the President proposed budget amendments, including \$125,250,000 for Civil Functions of the Defense Department and \$26,200,000 for the Department of Health, Education, and Welfare (H. Doc. 354); to Appropriations Committee. p. 4083

#### ITEMS IN APPENDIX

29. **RURAL DEVELOPMENT.** Extension of remarks of Sen. Potter inserting an editorial, "Resource Development Aids Farming, Industry in Michigan's Upper Peninsula," and stating that "this article reflects the clear recognition of the need for a broad program for areas that need increased incomes for farm families." p. A2425
30. **DAIRY PRODUCTS.** Sen. Proxmire inserted a letter from the president of a Wisc. bank which states that businessmen are strongly opposed to reduction of the price supports for dairy commodities. p. A2426
31. **FARM PROGRAM.** Rep. Coad inserted an editorial, "The Farm Subsidy Myth," which states that "no matter how many times it is disproved, the myth persists that farm subsidies are costing the Nation about \$5 billion a year." p. A2442  
Rep. Alger inserted an editorial defending the Secretary's proposal for farm policy. pp. A2442-3  
Extension of remarks of Rep. Hiestand in defense of the Secretary and stating that "rarely has a Cabinet member been vilified as much as Ezra Taft Benson." p. A2469  
Extension of remarks of Rep. Curtis, Mo., inserting excerpts from an article discussing the disbandment of the Iowa unit of the Nat'l Farm Organization. p. A2474  
Rep. Frelinghuysen inserted an editorial, "Ezra's Our Hope." p. A2477  
Extension of remarks of Rep. Gwinn stating that "in my judgment, there is no farm problem -- there is the problem of Government and what it has done to the farmer," and inserting an editorial, "Let's Set The Farmer Free.: pp. A2486-7  
Extension of remarks of Rep. Curtis, Mo., in support of the administration's farm program and inserting data, "Nineteen Hundred and Fifty-eight Farm Facts." pp. A2487-9
32. **TEXTILES.** Rep. McIntire inserted William F. Sullivan's, secretary of the Northern Textile Ass'n, statement outlining the economic problems of the cotton textile industry. pp. A2445-6
33. **WOOL.** Sen. Dworshak inserted an article describing the important contribution to the economy of Idaho made by the sheep industry. pp. A2455-6

#### BILLS INTRODUCED

34. **SURPLUS FOOD.** S. 3501, by Sen. Proxmire, to authorize the Secretary of Agriculture to expend funds appropriated for the diversion of surplus farm commodities to provide balanced diets in schools and institutions and for needy families; to Agriculture and Forestry Committee. Remarks of author. p. 4001











# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued March 19, 1958  
For actions of March 18, 1958  
85th-2d, No. 43

## CONTENTS

ACP.....6		
Acreage allotments....2,18		
Administrative law.....17		
Appropriations.....3		
Brucecellosis.....12		
Budget.....25		
Cheese.....24		
Chicory imports.....4		
Conservation.....19,27		
Dairy programs.....2,12,24		
Farm program.....20		
Federal-State relations.16		
Fisheries.....31		
Flood control.....6		
Foreign aid.....9,22		
Foreign trade.....1,4,21		
Forestry.....14		
Guar seed.....13		
Housing.....18		
Legislative program..10,18		
Library services.....29		
Packers and stockyards..10		
Personnel.....30,31		
Postal rates.....15		
Price supports.....2,11,18		
Public Law 480.....1,10		
Reclamation.....5		
Research.....31		
Roads.....8,34		
School milk.....12		
Statehood.....7,23		
Surplus commodities.....1		
Tariffs.....13		
Trade agreements.....33		
Wheat.....26		
Wildlife.....28		

HIGHLIGHTS: Senate debated bill to extend Public Law 480. House committee reported measures to: Freeze acreage allotments and price supports. Rep. McCormack said this measure will be considered Mar. 20 or 21st. Extend special dairy donation program.

## SENATE

1. SURPLUS COMMODITIES; FOREIGN TRADE. Began debate on S. 3420, to extend Public Law 480. (pp. 4089, 4113-38). Pending at recess was an amendment by Sen. Aiken, for himself and Sen. Martin, Iowa, to strike out sections 5 and 6 of the bill. Section 5 provides for an expanded barter program of up to \$500 million for disposal of surplus agricultural commodities. Section 6 permits the duty-free entry of nonstrategic materials, in addition to strategic materials, acquired by CCC through barter. This amendment was debated (pp. 4131-38).  
Sen. Martin submitted amendments intended to be proposed to this bill, S. 3420, p. 4089
2. DAIRY PRICE SUPPORTS. Sen. Proxmire criticized the President of the American Farm Bureau Federation for opposing the measure to freeze price supports and acreage allotments at 1957 levels, and inserted two letters from Wisc. Farm Bureau members opposing a reduction in dairy price supports. pp. 4086-87



3. APPROPRIATIONS. The Appropriations Committee reported without amendment H. R. 11085, the Treasury-Post Office Departments' appropriation bill for 1959 (S. Rept. 1401) (p. 4088). The bill had been ordered reported earlier (p. D223).
4. CHICORY IMPORTS. The Finance Committee reported with amendments H. R. 5005, to suspend for 2 years the duty on crude chicory (S. Rept. 1395). p. 4088
5. RECLAMATION. Agreed to a House amendment, and with a further Senate amendment, to S. 2120, to authorize the Secretary of the Interior to construct and maintain the lower Rio Grande rehabilitation project, Tex., Mercedes division. pp. 4112-13
6. AGRICULTURAL CONSERVATION PROGRAM. Sen. Carlson inserted a local soil conservation district resolution recommending that assistance for detention or flood control dams under the ACP program be increased to at least 80 percent or more of the cost of construction. p. 4091
7. STATEHOOD. Sen. Church inserted a newspaper editorial urging the House Rules Committee to report a resolution for consideration of legislation authorizing statehood for Alaska. p. 4090
8. ROADS. Sen. Neuberger inserted a newspaper editorial favoring legislation to regulate the use of billboards along the new interstate highway system. pp. 4090-91
9. FOREIGN AID. Sen. Smith, N. J., inserted an article and a newspaper editorial favoring continued aid to India. pp. 4091-93
10. LEGISLATIVE PROGRAM. Sen. Johnson stated that S. 3420, to extend Public Law 480, will be disposed of before consideration of S. 1356, to transfer certain functions under the Packers and Stockyards Act to FTC. p. 4087

HOUSE

11. PRICE SUPPORTS. The Agriculture Committee reported with amendment S. J. Res. 162, to prohibit reductions in price supports or acreage allotments below 1957 levels (H. Rept. 1508) (p. 4170). Rep. McCormack stated that if a rule were reported the measure would be brought up Thurs. or Fri., Mar. 20 or 21 (pp. 4147-8).
12. DAIRY. The Agriculture Committee reported with amendment H. R. 11178, to extend for two years the school milk, brucellosis, and dairy donation (for armed forces, etc.) programs (H. Rept. 1511). p. 4170
13. TARIFFS. The Ways and Means Committee ordered reported H. R. 10112, to make permanent the existing privilege of free importation of guar seed. p. D227  
The Ways and Means Committee ordered reported H. R. 11407, to extend for 2 years the existing provisions of law relating to the free importation of personal and household effects brought into the United States under Government orders. p. D227
14. FORESTS. Rep. Miller, Calif., requested consideration of S. 3262, to authorize Federal grants to construct Olympic facilities for the 1960 winter games on Forest Service land, but Rep. Taber objected. The Speaker stated that he would recognize Rep. Miller Wed., Mar. 19, to move to suspend the rules to consider this bill. p. 4158

## IMMEDIATE STAY OF REDUCTIONS IN PRICE SUPPORTS AND ACREAGE ALLOTMENTS

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MARCH 18, 1958.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. COOLEY, from the Committee on Agriculture, submitted the following

### REPORT

[To accompany S. J. Res. 162]

The Committee on Agriculture, to whom was referred the joint resolution (S. J. Res. 162) to stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws, having considered the same, report favorably thereon with amendments and recommend that the joint resolution do pass.

The amendments are as follows:

Page 2, line 9, after the words "This resolution shall be effective" strike out the rest of the sentence including the period on line 12 and insert—

, with respect to price supports, only for the marketing year or season which begins in 1958 and, with respect to acreage allotments, through 1959 crops.

Amend the title to read—

A bill to stay temporarily any reduction in support prices or acreage allotments.

#### STATEMENT

The purpose of this resolution, as amended by the committee, is to interpose a 1-year stay on further support price or acreage allotment reductions in order to prevent any further decline in the farm economy while Congress formulates and enacts more permanent legislation. The committee hopes that new general farm legislation may be enacted at this session of Congress but it is clear that such general legislation cannot be enacted in time to prevent certain damaging cuts in price supports from going into effect—particularly those affecting dairy farmers.



## COMMITTEE AMENDMENT

The committee amendment does not change the substance of the resolution but limits its application to the 1958 crop or marketing season in the case of price supports and to the 1959 crop in the case of acreage allotments (acreage allotments for 1958 having already been determined and announced). The amendment underlines the committee's position that this resolution is not intended as permanent nor affirmative legislation, but only as a measure to hold the line against further deterioration of the agricultural economy while new, program-type legislation is being formulated and enacted.

It is the hope of this committee to bring out a general farm bill which will include improved price-support and production adjustment programs for the major agricultural commodities. To this end, commodity subcommittees have been and are continuing to work with all diligence.

The cotton subcommittee began hearings on new cotton legislation in the early summer of 1957 and is now working on what it believes will be the final draft of legislation. The Feed Grains Subcommittee has been meeting almost continually since this session of Congress convened and is nearing a draft of its program. The Wheat Subcommittee has started hearings on new, long-range wheat legislation and the Dairy Subcommittee has announced the start of hearings on an entirely new type of dairy support program. The other commodity programs are receiving similar attention.

The committee is working earnestly to present these legislative proposals to the House in time for enactment at this session of Congress and it, therefore, regards the resolution reported herewith as strictly temporary—to bridge the gap until this new legislation can become law.

## MAJOR PROVISIONS

*Price support*

The joint resolution provides that the support price for any commodity, except tobacco, shall not be reduced below the 1957 level, in dollars and cents, for the marketing year or season which begins in 1958.

The support levels of the various crops in 1957, and the supports set by the Secretary of Agriculture for 1958 crops, are indicated in table 1. This joint resolution directs that in 1958 no support may be lower than that set for each crop in 1957, in dollars and cents.

TABLE 1.—*Commodity Credit Corporation price-support levels effective in 1957 and levels announced by the Secretary of Agriculture for 1958 crops.*

Commodity	Unit	Effective on 1957 crops		Announced for 1958 crops	
		Support level	Support price	Support level	Support price
Basic commodities:					
Corn <sup>1</sup> .....	Bushel.....	77.0	\$1.40	( <sup>2</sup> )	( <sup>2</sup> )
Cotton, extra long staple.....	Pound.....	75.0	.5970	( <sup>2</sup> )	( <sup>2</sup> )
Cotton, upland.....	do.....	78.0	.2881	81	<sup>3</sup> \$0.3075
Peanuts.....	do.....	81.4	.1135	( <sup>2</sup> )	( <sup>2</sup> )
Rice, rough.....	Hundredweight.....	82.0	4.72	75	<sup>3</sup> 4.33
Wheat.....	Bushel.....	79.0	2.00	75	<sup>3</sup> 1.78
Mandatory nonbasic commodities:					
Honey.....	Pound.....	70.0	.97	70	.96
Dairy products:					
Manufacturing milk.....	Hundredweight.....	82.0	3.25	75	3.03
Butterfat.....	Pound.....	79.0	.586	75	.562
Tung nuts.....	Ton.....	65.0	52.13	( <sup>2</sup> )	( <sup>2</sup> )
Tung oil.....	Pound.....		.205	( <sup>2</sup> )	( <sup>2</sup> )
Mohair.....	do.....	87.0	.70	82	.70
Wool.....		101.0	.62	95	.62
Other nonbasic commodities:					
Barley.....	Bushel.....	70.0	.95	70	.93
Beans, dry edible.....	Hundredweight.....	68.0	6.31	68	6.18
Cottonseed.....	Ton.....	65.0	46.00-42.00	65	45.00-41.00
Flaxseed.....	Bushel.....	65.0	2.92	65	2.78
Gum naval stores.....	Barrel (435 pounds processed basis).....	<sup>4</sup> 90.0	28.29	<sup>4</sup> 90	29.04
Oats.....	Bushel.....	70.0	.61	70	.61
Rye.....	do.....	70.0	1.18	70	1.10
Sorghums, grain.....	Hundredweight.....	70.0	1.86	70	1.83
Soybeans.....	Bushel.....	70.0	2.09	70	2.09

<sup>1</sup> Commercial support for corn produced in compliance with acreage allotments.<sup>2</sup> Not announced.<sup>3</sup> Minimum.<sup>4</sup> Unprocessed basis.

### *Acreage allotments*

The resolution provides further that through the 1959 crops the total acreage allotted to any commodity under the Agricultural Adjustment Act of 1938, except tobacco, shall not be reduced below the total acreage allotted to such commodity for 1957.

The national acreage allotments for wheat and rice for 1958 are the same as for 1957, the minimum provided by law, as follows: Wheat, 55 million acres and rice, 1,652,596 acres. The total acreage allotted for corn in 1958 in the commercial corn area, which includes 38 more counties than in 1957, is 38,818,381 acres as compared to 37,288,889 acres in 1957. The total acreage allotted to cotton for 1958 (17,554,528 acres) is slightly below the total acreage allotted to cotton in 1957 (17,585,463 acres) because the acreage required to provide the minimum State acreage allotments under section 302 of the 1956 act was only 63,224 acres in 1958 as compared to 94,159 acres in 1957. The total acreage allotted to extra long staple cotton is 83,286 acres in 1958 as compared with 89,357 acres in 1957, and the total acreage allotted for peanuts is 1,610,000 acres for 1958 as compared with 1,611,441 acres in 1957.

Several provisions of law governing the distribution of the total allotted acreage to States (in the case of rice) and to States, counties, and farms (in the case of cotton) expire with the 1958 crop.

In the case of rice the provision establishing the minimum national acreage allotment and providing that the States share in it in the same



proportion that they shared in the previous year's allotment expires this year.

In the case of cotton the following provisions expire this year: (1) The provision for a minimum national acreage allotment equal to the 1956 allotment of 17,391,304 acres; (2) the provision for minimum State acreage allotments; and (3) the provision for minimum farm allotments and for the national acreage reserve established to provide additional acreage for Nevada and for other States to meet their needs in providing minimum farm allotments.

In line with the purpose of the resolution to maintain the status quo in acreage allotments through 1959 crops the resolution would prevent these provisions from expiring during the period covered by the resolution.

The total acreage to be allotted for upland cotton under the resolution will thus be not less than 17,585,463 acres, the total acreage allotted in 1957; and this will be allotted in the following manner: As required by section 302 of the Agricultural Act of 1956, a national acreage allotment equal to not less than the 1956 national acreage allotment of 17,391,304 acres will be apportioned to States as provided in section 344 (b) of the Agricultural Adjustment Act of 1938, as amended. An additional 100,000 acres will be set aside for apportionment as required by section 303 of the Agricultural Act of 1956 (to provide additional acreage for Nevada and for minimum farm allotment requirements). The remainder of the total acreage to be allotted (or 94,159 acres if the national allotment is not more than 17,391,304 acres) will be used to increase each State allotment to 99 percent of its share of the national acreage allotment for the preceding year. Any part of such 94,159 acres not so used, will be apportioned to States on the basis of their applicable 5-year base.

If the provisions of the joint resolution should require an increase in the 1958 acreage allotment for any commodity in an amount which would be so small as to make its allotment to States, counties, and farms impractical and too small to be of material benefit to farmers, it is not intended that such allotment would be made.

#### TOBACCO

Tobacco is not included in the provisions of this resolution because its program is substantially different from that of any of the other commodities and is operating in a manner satisfactory to almost everyone concerned. Tobacco is not on a flexible support scale but is supported at 90 percent of parity unless producers have disapproved marketing quotas.

Since supports for tobacco have not been reduced in 1958—as they have in the case of some other commodities—it was not necessary to include tobacco in this resolution and it has been specifically excluded so that certain minor adjustments might be made, if necessary, with respect to certain types of tobacco.

#### EFFECT ON FARM INCOME

This resolution proposes to prevent another half billion dollar slash in farm income, which will occur in 1958 if the reduced price-support rates announced by the Secretary of Agriculture become effective.

Table II lists major commodities produced by farmers which will be affected by this legislation, and indicates the 1958 farm value of these commodities at the lower support levels announced by the Secretary and their value at the 1957 support rates, which would be reinstated by Senate Joint Resolution 162. For the purpose of this computation it is assumed that production of the various crops in 1958 will be at the same volume as in 1957.

TABLE II

Crop	1958 crop values at announced reduced sup- port rates	1958 crop values at S. J. Res. 162 minimum 1957 support rates
Wheat.....	\$1, 686, 000, 000	\$1, 894, 000, 000
Rice.....	187, 000, 000	204, 000, 000
Milk, cream, and butter.....	4, 390, 000, 000	4, 640, 000, 000
Barley.....	405, 000, 000	414, 000, 000
Rye.....	29, 000, 000	31, 000, 000
Sorghum.....	573, 000, 000	584, 000, 000
Dry beans.....	97, 000, 000	100, 000, 000
Cottonseed.....	204, 000, 000	208, 000, 000
Flax.....	72, 000, 000	75, 000, 000
Total.....	7, 643, 000, 000	8, 150, 000, 000

## THE GENERAL ECONOMIC RECESSION

The committee presents this hold-the-line legislation at this time because of the urgency of the economic situation which makes it imperative that the drop in farm income be halted—not only for the benefit of hard-pressed farmers but also for the welfare of the economy as a whole.

This committee has been hard at work on long-range legislation but, because of the wide diversity of views among farm leaders, the administration and members of this committee, progress has been slow.

Senate Joint Resolution 162 is intended only to prevent further deterioration in farm income until the longer run solution to the continuing farm price and income problems can be considered by the Congress.

The Nation now is in a general economic recession, with business declining and unemployment increasing.

Our agriculture has been in a decline for 5 years.

The committee reminds the House that between 1920 and 1921 farm prices fell 41 percent and the national income fell 18 percent. Between 1929 and 1932 farm prices fell 56 percent and the national income fell 44 percent, and a great depression had demoralized the total economy.

Unless this hold-the-line legislation is passed farm income will decline another half billion dollars in 1958.

Deterioration of farm income dries up rural purchasing power. Then businesses in towns and cities that service agriculture begin to suffer. Ultimately the impact reaches throughout the economy. This is what has happened in the past and, in our opinion, it is happening again today.

Depressed farm conditions take their toll, of course, on all segments of the economy. This is especially true with respect to small business. The declining prosperity of farmers which has been underway for several years already has exacted a large toll of small-business failures.



Business failures which had averaged less than 5,000 a year for the previous 10 years, jumped to 8,800 in 1953, to 11,000 in 1954, to 12,700 in 1956. Last year another 13,700 business firms failed, and the rate of failures now is increasing at a rapid pace. The natural habitats of most small business are, of course, the small towns and villages of the farm areas where trades and services of all kinds are mutually interdependent with farming and farm marketing, and with the prosperity of the farm people.

The importance of a prosperous agriculture to the well-being of the total economy unfortunately has been overlooked in many quarters in recent years.

We point out that the productive assets of agriculture, as reported by Government statistics, total \$156 billion, just about equal to the \$159 billion in productive assets of all manufacturing corporations.

Moreover, we emphasize that approximately 40 percent of the Nation's total labor force is engaged in producing, processing, and distributing farm products.

Therefore, this committee recommends that, at a time when multi-billion-dollar antirecession pump-priming programs are being proposed, we prevent the Government from making the mistake of reducing again the already depressed income of agriculture.

#### SOME IMPORTANT ECONOMIC FACTS

##### *Farmers*

The net income of agriculture dropped from \$14,256 million in 1952 to \$11,532 million in 1957, at a time of the greatest boom on record in other major segments of the economy. Many farm people have been forced to leave the land. An important part of the 5 million workers currently unemployed throughout the Nation are people who recently have left farms. The average return for an hour of farmwork now is less than half the \$2.10 an hour average earnings of workers in industry, but farm people cannot find nonfarm jobs. Today many of these people who have moved to the cities are returning to the country because they have lost their jobs.

##### *Consumers*

While farm prices declined by 16 percent from 1952 to December 1957, retail food prices increased by 1.3 percent.

In 1952 wheat was supported at 90 percent of parity (\$2.20 a bushel) and the average price of a 1-pound loaf of bread then was 16 cents. In 1957, with the wheat price at 79.7 percent of parity (\$2 a bushel), the average price of a loaf of bread was 18.8 cents. For the wheat in an 18.8 cents loaf in 1957, the farmer got only 2.6 cents.

Similarly, in 1952 milk was supported at 90 percent of parity and the average price of a quart of fresh milk in grocery stores was 22.8 cents. In 1957 the support had been reduced to 83 percent of parity, and the retail price of milk had risen to 24.3 cents.

If the proposed new slash in farm income, of half a billion dollars, is permitted to take place, on the basis of past experience most of this loss in farm income will be retained by middlemen. Consumers will benefit little if at all.

In view of the facts set forth above, the committee recommends passage of Senate Joint Resolution 162, as the practical means of preventing a further drop in farm income until new long term legislation is considered.

Moreover, passage of Senate Joint Resolution 162 is recommended as an integral part of a comprehensive set of measures to reverse the tide of the economic recession which now is enveloping the economy.

#### CHANGES IN EXISTING LAW

The resolution makes no direct amendment of existing law, but extends the following provisions (which are now applicable only to 1957 and 1958) for the period covered by the resolution:

#### AGRICULTURAL ACT OF 1956

SEC. 302. Section 342 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding at the end thereof the following: "Notwithstanding the foregoing provisions of this section, the national marketing quota for cotton for 1957 and 1958 shall be not less than the number of bales required to provide a national acreage allotment for 1957 and 1958 equal to the national acreage allotment for 1956: *Provided*, That if the acreage allotment for any State for 1957 or 1958 is less than its allotment for the preceding year by more than 1 per centum, such State allotment shall be increased so that the reduction shall not exceed 1 per centum per annum, and the acreage required for such increase shall be in addition to the national acreage allotment for such year. Additional acreage apportioned to a State for 1957 or 1958 under the foregoing proviso shall not be taken into account in establishing future State allotments."

SEC. 303. (a) Section 344 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: "*Provided*, That there is hereby established a national acreage reserve consisting of one hundred thousand acres which shall be in addition to the national acreage allotment; and such reserve shall be apportioned to the States on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), as determined by the Secretary without regard to State and county acreage reserves (except that the amount apportioned to Nevada shall be one thousand acres), and the additional acreage so apportioned to the State shall be apportioned to the counties on the same basis and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreage). Additional acreage apportioned to a State for any year under the foregoing proviso shall not be taken into account in establishing future State acreage allotments. Needs for additional acreage under the foregoing proviso and under the last proviso in subsection (e) shall be determined as though allotments were first computed without regard to subsection (f) (1)."

(b) Section 344 (e) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: "*Provided further*, That if the additional acreage allocated to a State under the proviso in subsection (b) is less than the requirements as determined by the Secretary for establishing minimum farm allotments for the State under subsection (f)



(1), the acreage reserved by the State committee under this subsection shall not be less than the smaller of (1) the remaining acreage so determined to be required for establishing minimum farm allotments or (2) 3 per centum of the State acreage allotment; and the acreage which the State committee is required to reserve under this proviso shall be allocated to countries on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreages.”

(c) Section 344 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended by changing paragraph (1) to read as follows:

“(1) Insofar as such acreage is available, there shall be allotted the smaller of the following: (A) four acres; or (B) the highest number of acres planted to cotton in any year of such three-year period.”

(d) The first sentence of section 344 (f) (6) of such Act is amended to read as follows: “Notwithstanding the provisions of paragraph (2) of this subsection, if the county committee recommends such action and the Secretary determines that such action will result in a more equitable distribution of the county allotment among farms in the county, the remainder of the county acreage allotment (after making allotments as provided in paragraph (1) of this subsection) shall be allotted to farms other than farms to which an allotment has been made under paragraph (1) (B) of this subsection so that the allotment to each farm under this paragraph together with the amount of the allotment of such farm under paragraph (1) (A) of this subsection shall be a prescribed percentage (which percentage shall be the same for all such farms in the county) of the average acreage planted to cotton on the farm during the three years immediately preceding the year for which such allotment is determined, adjusted as may be necessary for abnormal conditions affecting plantings during such three-year period: *Provided*, That the county committee may in its discretion limit any farm acreage allotment established under the provisions of this paragraph for any year to an acreage not in excess of 50 per centum of the cropland on the farm, as determined pursuant to the provisions of paragraph (2) of this subsection: *Provided further*, That any part of the county acreage allotment not apportioned under this paragraph by reason of the initial application of such 50 per centum limitation shall be added to the county acreage reserve under paragraph (3) of this subsection and shall be available for the purposes specified therein.”

(e) The amendments made by this section shall be effective only with respect to 1957 and 1958 crops. For the 1956 crop, an acreage in each State equal to the acreage allotted in such State which the Secretary determines will not be planted, placed in the acreage reserve or conservation reserve, or considered as planted under section 377 of the Agricultural Adjustment Act of 1938, as amended, may be apportioned by the Secretary among farms in such State having allotments of less than the smaller of the following: (1) four acres, or (2) the highest number of acres planted to cotton in any of the years 1953, 1954, and 1955.

SEC. 304. Section 353 (c) of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following:

“(5) Each of the State acreage allotments for 1956 heretofore proclaimed by the Secretary, after adding thereto any acreage apportioned to farms in the State from the reserve acreage set aside pursuant to subsection (a) of this section, shall be increased by such amount as may be necessary to provide such State with an allotment of not less than 85 per centum of its final allotment established for 1955. Any additional acreage required to provide such minimum allotment shall be additional to the national acreage allotment. In any State having county acreage allotments for 1956, the increase in the State allotment shall be apportioned among counties in the State on the same basis as the State allotment was heretofore apportioned among the counties, but without regard to adjustments for trends in acreage.

“(6) The national acreage allotments of rice of 1957 and 1958 shall be not less than the national acreage allotment for 1956, including any acreage allotted under paragraph (5) of this subsection, and such national allotments for 1957 and 1958 shall be apportioned among the States in the same proportion that they shared in the total acreage allotted in 1956.”







Union Calendar No. 595

85TH CONGRESS  
2D SESSION

# S. J. RES. 162

[Report No. 1508]

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 13, 1958

Referred to the Committee on Agriculture

MARCH 18, 1958

Reported with amendments, committed to the Committee of the Whole House  
on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italics]

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## JOINT RESOLUTION

To stay any reduction in support prices or acreage allotments  
until Congress can make appropriate changes in the price  
support and acreage allotment laws.

1      *Resolved by the Senate and House of Representatives*  
2      *of the United States of America in Congress assembled,*  
3      That in order to prevent reductions in support prices or  
4      acreage allotments prior to consideration by Congress of  
5      such changes in the price support and acreage allotment  
6      laws as may be necessary at this time—

7            (1) the support price (in terms of dollars and  
8      cents) for any agricultural commodity, except tobacco,  
9      shall not be less than that available for such commodity



1 during the marketing year or season which began in  
2 1957; and

3 (2) the total acreage allotted for any agricultural  
4 commodity, except tobacco, shall not be less than that  
5 allotted for the 1957 crop of such commodity, and sec-  
6 tions 302, 303, and 304 of the Agricultural Act of 1956  
7 (relating to minimum National, State, and farm acreage  
8 allotments for 1957 and 1958) shall be extended to  
9 apply to each crop of upland cotton and rice, respec-  
10 tively, to which this resolution is applicable.

11 This resolution shall be effective ~~only until such time as~~  
12 ~~Congress shall make other provision for price supports and~~  
13 ~~acreage allotments and provide for the repeal of this resolu-~~  
14 ~~tion effective, with respect to price supports, only for the mar-~~  
15 ~~keting year or season which begins in 1958 and, with respect~~  
16 ~~to acreage allotments, through 1959 crops.~~ Nothing in this  
17 resolution shall be construed to repeal or modify any law  
18 enacted in the second session of the Eighty-fifth Congress  
19 or to require price support to be made available if market-  
20 ing quotas have been disapproved by producers, or to non-  
21 cooperators in the case of any basic agricultural commodity.

Amend the title so as to read: "Joint resolution to stay temporarily any reduction in support prices or acreage allotments."

Passed the Senate March 13, 1958.

Attest:

FELTON M. JOHNSTON,

Secretary.





85TH CONGRESS  
2D Session

# S. J. RES. 162

[Report No. 1508]

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## JOINT RESOLUTION

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To stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws.

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MARCH 13, 1958

Referred to the Committee on Agriculture

MARCH 18, 1958

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

after the said Merle L. Harvey has been discharged from the Army. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved by this act.

With the following committee amendment:

Page 1, line 10, strike out "1954" and insert "1953."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### SONS OF UNION VETERANS OF THE CIVIL WAR

The Clerk called the bill (H. R. 9989) to provide for the presentation of a medal to the Sons of Union Veterans of the Civil War.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury is authorized and directed to present to the Sons of Union Veterans of the Civil War, an organization incorporated by the act of August 20, 1954 (36 U. S. C. 531), the gold medal which the act of July 18, 1956 (70 Stat. 577), would have authorized to be presented to the late Albert Woolson if he had survived.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### SHIRLEY LEEKE KILPATRICK

Mr. WALTER. Mr. Speaker, I ask unanimous consent to return to the bill (S. 2110) for the relief of Shirley Leeke Kilpatrick.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.,* That, for the purposes of the Immigration and Nationality Act, Shirley Leeke Kilpatrick shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### CORRECTION OF RECORD

Mr. BOYLE. Mr. Speaker, I ask unanimous consent to correct my remarks entitled "St. Patrick's Day" on page 4051 in column 3 at paragraph 4 on line 3 of the CONGRESSIONAL RECORD of March 17, 1958, by adding the word "not" immediately before the word "sole."

With this omission, the balance of my remarks are out of harmony with the general context.

Actually, the Irish or the Irish-American have no monopoly as this great St. Patrick belongs to all nations and all men who are filled with the inherent love for freedom and inspiration for a better world. The spiritual appeal of

St. Patrick in no sense finds limits in the boundaries of nations, but permeates the marrow of all men's souls.

The SPEAKER. Without objection, the correction may be made.

There was no objection.

#### AUTHORIZING THE DISPOSAL OF CERTAIN UNCOMPLETED VESSELS

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution—House Resolution 483—and ask for its immediate consideration.

The Clerk read the resolution, as follows:

*Resolved,* That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8547) to authorize the disposal of certain uncompleted vessels. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. MADDEN. Mr. Speaker, House Resolution 483 makes in order the consideration of H. R. 8547, to authorize the Secretary of the Navy to strike from the Naval Vessel Register and dispose of seven uncompleted naval vessels.

The resolution provides for an open rule and 1 hour of general debate on the bill.

The vessels listed in this bill are a part of a group of vessels in which the percentage of construction exceeded 20 percent on March 1, 1946, and were required to be completed under the provisions of the Second Supplemental Surplus Appropriation Rescission Act of 1946. Then, in 1948, Congress authorized the President to suspend construction of these uncompleted ships.

Due to the passage of time, the design features of these seven ships have become obsolescent and the cost involved to modify the designs would be more than it would cost to convert completed vessels.

It has been determined by the Committee on Armed Services and the Department of the Navy that in the interests of economy these vessels should be disposed of. The disposal of these ships will mean a total recovery by the Government of over \$4,400,000, in addition to about \$136,000 annually in maintenance costs.

I urge the adoption of House Resolution 483.

Mr. Speaker, I reserve the balance of my time.

Mr. ALLEN of Illinois. Mr. Speaker, I yield back my time.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

#### WRITS OF HABEAS CORPUS

Mr. SMITH of Virginia. Mr. Speaker, by direction of the Committee on Rules I call up the resolution—House Resolution 497—and ask for its immediate consideration.

The Clerk read the resolution, as follows:

*Resolved,* That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8361) to amend section 2254 of title 28 of the United States Code in reference to applications for writs of habeas corpus by persons in custody pursuant to the judgment of a State court. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority members of the Committee on the Judiciary, the bill shall be read for amendment under 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Virginia is recognized for 1 hour.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN] and yield myself such time as I may consume; and I ask unanimous consent to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SMITH of Virginia. Would the gentleman from Illinois care to yield his time? I have no other speaker.

Mr. ALLEN of Illinois. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. ARENDS].

#### AMENDED PROGRAM FOR BALANCE OF WEEK

Mr. ARENDS. Mr. Speaker, I take this time in view of the discussion I just had with the majority leader and to ask him if he will explain to the House the amended program about which we spoke a moment ago.

Mr. McCORMACK. I shall be pleased to.

One of the bills on the program, H. R. 11378, dealing with impacted school districts, has been stricken from the calendar and will not be called up under suspension. At that time, as a result of colloquy with some of the Members, I indicated a reservation in order to look into the matter further. That bill will not come up tomorrow under suspension of the rules.

The first order of business tomorrow will be the housing bill—S. 3418—which passed the Senate the other day. That will come up under suspension. Then, if a rule is reported out today on the agricultural bill, I think it is Senate Joint Resolution 162 but I do not want to be confined to the exact number at this time, it will be brought up either



Thursday or Friday. That is a bill that passed the Senate. It has been reported by the House Committee on Agriculture and if a rule is reported, as I stated, it will be brought up on either Thursday or Friday. If a rule is reported tomorrow it will be brought up on Thursday. It will be brought up this week in any event if a rule is reported.

Mr. ARENDS. I thank the gentleman.  
Mr. ALLEN of Illinois. Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of Virginia. Mr. Speaker, I have asked unanimous consent to speak out of order in order to discuss another bill which I consider of great importance, and which I will come to in a few moments.

The rule which is now before the House provides for the consideration of the bill (H. R. 8361) to amend the procedure in the Federal courts in habeas corpus proceedings. It is the same bill that passed the House last year but did not pass the Senate. It has the endorsement of the Judicial Council, the American Bar Association, the States Attorneys General Association, and all of the component parts of the legal profession. There should be no objection to the bill and I hope it will pass promptly.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Is this not the identical bill that passed the House by unanimous consent and would have been acted on by the Senate but for the fact it got over there a little too late?

Mr. SMITH of Virginia. That is correct. As I said before, I do not think there should be any objection to it.

Mr. Speaker, at this time I want to talk about another bill that has been pending for the past 4 years. It is the bill (H. R. 3), now pending before the Committee on the Judiciary, a very busy committee. But I think this bill is of sufficient national importance to invite the attention of that committee, busy as it may be. The bill is to correct some decisions of the Supreme Court of the United States.

Many years ago the Supreme Court adopted what was known as the preemption doctrine in its dealing with cases involving States rights.

Now, that doctrine has remained rather dormant on the books for many years until recently. The thing that brought it chiefly to my attention was this incident:

About 4 years ago there was a notorious Communist in Pennsylvania named Steve Nelson. Steve Nelson was indicted under the Pennsylvania antismuggling law, for treasonable conduct, tried and convicted, and when the case went to the Supreme Court of the United States, the Supreme Court held that the State authorities of Pennsylvania or any other of the 48 States had no longer any power to prosecute for subversive action or treasonable conduct because the Congress had passed the so-called Smith Act and had thereby preempted and taken away from the States the right to prosecute for those offenses.

Of course, Congress had no idea of doing any such thing, but the Supreme

Court's doctrine is that they just read the mind of the Congress and say that Congress intended to do so and so, irrespective of whether Congress intended or not. That decision solemnly declared that the Congress, in passing the Smith Act, had in effect repealed all State laws, and that decision was in the face of the fact that the Smith Act, when it was passed, became a part of the Federal Criminal Code, and the Federal Criminal Code contains a specific section which says that nothing in this code shall interfere with the action of the States in enforcing their laws on any such subject. Well, that was the Steve Nelson case.

I introduced then a bill known as H. R. 3, and it has been known as H. R. 3 since then and is now in the Committee on the Judiciary. Full and complete hearings have been held. It is now ready to be voted up or voted down by the Committee on the Judiciary. I hope that the committee, busy as it is, will take 5 minutes off some nice, pleasant morning, call that bill up, and vote it up or vote it down, so we may have an opportunity to decide whether we will correct such situations as there exist. As I say, the bill has had complete hearings. And I want to tell the House a few of the organizations that have endorsed the bill. It has been said by some that the bill would cause a lot of confusion. It is said that it will interfere with other things and other laws and cause a lot of litigation. But, the fact is I do not see how we could cause much more confusion than has already been caused by this doctrine under which the Supreme Court of the United States can and does repeal every State law on any subject where the Congress has touched that subject with legislation. Now, that is a pretty serious thing, my friend.

To name only a few of the major organizations that have endorsed H. R. 3, the National Association of States Attorneys General have endorsed it; the Conference of Small Business Organizations have endorsed it; the Women's Patriotic Conference on National Defense, National Association of Manufacturers, United States Chamber of Commerce, National Lumber Manufacturers Association, the American Cotton Manufacturers Institute, and the American Bar Association have all endorsed it, as well as the 48th annual governors' conference. I assume you all know what that is. The 48 governors of the 48 States have a conference every year to consider matters that they think of importance.

They, at their 48th annual convention, solemnly recommended the passage of this bill to correct the errors that are so disastrous.

The National Grange, a farm organization, has recommended it.

The American Farm Bureau has endorsed it.

The President of the United States, in his first campaign and on several occasions since, has expressed distress about the way the powers of the States are being gradually absorbed by the Federal Government. He made a very significant statement, and I quote from a speech of the President:

I want to see maintained the constitutional relationship between the Federal and the State governments for if the States lose their meaning our entire system of government loses its meaning, and the next step is the rise of the centralized national state in which the seeds of autocracy can take root and grow. We will see that the legitimate rights of the States and the local communities are respected. We will not reach into the States and take from them their powers and responsibilities to serve their citizens.

Every Member of this House represents some State in the Union and I should think it would be of great interest to every Member to see that the constitutional rights of the States to exist and to perform their functions locally are respected. What can and does happen under this present situation where the Supreme Court has repealed all State laws dealing with any subject with which the Federal Government has dealt? Well, we have a Pure Food and Drugs Act that is intended to protect the health of the citizens of the United States. It is intended to protect the health of the citizens of every State.

I cannot conceive that Congress ever intended to repeal the right of a State to inspect and condemn food products that were deleterious to human health. And yet we have the decision of the Supreme Court of the United States in the State of Alabama which said that in view of the fact that Congress had passed a Pure Food and Drug Act the State of Alabama no longer had any power in its Health Department to inspect food products, any part of which was going into interstate commerce. Is not that an astounding thing? Have Members of Congress given that situation serious thought?

Here you have the Supreme Court of the United States dreaming up the idea that Congress, by passing the Pure Food and Drug Act, intended to repeal every State law for the protection of the health of their citizens. That is a fact. There it is—Supreme Court decision, and I can cite the reference if anyone needs it.

What activated me in taking the floor today is another law and another incident that happened in the last week in the shadow of the Capitol, and still the bill to correct the situation slumbers in the House Committee on the Judiciary.

You know, we have a Federal anti-kidnaping law. The question has not arisen yet, but suppose somebody is kidnaped in the State of Virginia and carried into the District of Columbia, and the State gets the kidnaper back and seeks to prosecute him. How in the world can the Supreme Court get away from saying that the State of Virginia no longer has any power to prosecute for kidnaping because the Federal Government has passed a law? They cannot get away from it.

The incident that I refer to happened in Virginia last week in Fairfax County, Virginia, in the shadow of the Capital. A gang of narcotics criminals was spotted in New York. They were traced down to Virginia by the Federal authorities under the Federal Narcotics Act, and there, in Fairfax County, in the exercise of their nefarious profession, they were caught by the Virginia au-







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued March 20, 1958  
For actions of March 19, 1958  
85th-2d, No. 44

## CONTENTS

Acreage allotments.....1,11,40	Legislative program.....24	Tariff.....26,28
Alcohol.....41	Library services.....30	Trade agreements.....9
Butter.....13	Marketing.....36,40	TVA.....33
CCC.....41	Meat packers.....12	Water resources.....43
Corn.....3	Onion futures.....29	Watersheds.....7
Dairy program.....20	Packers and stockyards..24	Wheat.....23,25
Distressed areas.....39	Personnel.....35	
Economic situation....8,14	Postal rates.....18	
Employment.....8	Price supports	
Expenditures.....19	.....1,11,20,25,40	
Farm loans.....37	Public Law 480.....10,27	
Farm prices.....11,25	Public works.....4	
Farm program.....25	Reclamation.....6	
Flood control.....7	Research.....38	
Foreign aid.....16	Roads.....17,32	
Foreign trade..10,21,28,40	Soil bank.....3	
Forestry.....5,22,26,38	Statehood.....15,31	
Government ethics.....34	Surplus commodities.....10	
Grain.....41	Surplus food.....13,36	
Housing.....2	Surplus property.....42	

HIGHLIGHTS: Senate debated bill to extend Public Law 480. House passed housing bill. House agreed to resolution to accelerate public works programs. Rep. Philbin commended watershed control program. Sen. Proxmire and others introduced and Sen. Proxmire discussed bill to establish National Food Allotment Program. Sens. Kerr and Monroney introduced and Sen. Kerr discussed bill to extend loan authorizations for flood control and watershed protection.

## HOUSE

1. PRICE SUPPORTS; ACREAGE ALLOTMENTS. The Rules Committee reported without amendment H. Res. 505, to provide for consideration of S. J. Res. 162, to prohibit reductions in price supports or acreage allotments below 1957 levels (H. Rept. 1534). p. 4293
2. HOUSING. On a motion to suspend the rules, passed without amendment S. 3418, the housing bill, which contains various changes in the VA direct loan program, including a definition of direct-loan areas as rural areas and small cities and towns not near large metropolitan areas (pp. 4236-42). This bill will now be sent to the President.
3. CORN. House and Senate conferees were appointed on H.R. 10843, to permit soil bank payments to certain corn producers in the commercial area who exceed their corn acreage allotments. pp. 4221, 4262
4. PUBLIC WORKS. Agreed to without amendment, by a vote of 377 to 16, S. Con. Res. 68, expressing the sense of Congress in favor of accelerating civil construction programs for which appropriations have been made. pp. 4248-55



5. FORESTRY. Rejected (256 to 139 not being two-thirds) a motion to suspend the rules to consider S. 3262, to authorize Federal grants to construct Olympic facilities for the 1960 winter games on Forest Service land. pp. 4256-61
6. RECLAMATION. Agreed to a Senate amendment to S. 2120, to authorize the Secretary of the Interior to construct and maintain the Mercedes division of the lower Rio Grande rehabilitation project, Tex. This bill will now be sent to the President. p. 4263
7. WATERSHEDS. Rep. Philbin commended the Watershed Control and Flood Prevention Act, discussed its operation in Mass. flood control, and urged consideration for the new \$29 million budget request. pp. 4265-8
8. EMPLOYMENT; ECONOMIC SITUATION. Several Reps. discussed the economic situation and the plans proposed to halt recessions. pp. 4246-7, 4263-5, 4284-5
9. TRADE AGREEMENTS. Reps. Davis, Ga., Jarman, Patterson, Burleson, Withrow, Mack, Wash., Van Zandt, Westland, Lane, Saylor, Taber, Moore, Staggers, Rogers, Birch, Thomson, Gross, Bailey, Henderson, Van Pelt, and McMillan discussed H. R. 11643 and other bills to amend the Reciprocal Trade Agreements Act to restrict Presidential control over Tariff Commission decisions and extend the peril point and escape clause authority to perishable agricultural commodities and certain national security items. pp. 4268-84

#### SENATE

10. SURPLUS COMMODITIES; FOREIGN TRADE. Continued debate on S. 3420, to extend Public Law 480. (pp. 4201, 4202-6, 4207-20, 4221-33) No amendments were voted upon. Still pending is the amendment by Sen. Aiken to strike out sections 5 and 6 of the bill.
11. FARM PRICES. Sen. Humphrey inserted a resolution endorsed by several farmers' union locals urging Congress "to oppose the recommendations for still lower farm price support levels," and recommended steps to "restore farm prices to a higher level." p. 4176  
Sen. Symington took issue with the President's statement opposing a freeze on price supports and acreage allotments, and stated that "in making this statement, the President not only takes direct issue with a majority of the Senate, but also with a majority of the members of the Senate Agriculture Committee, including the three ranking Republican members." pp. 4182-3
12. MEAT PACKERS. Sen. O'Mahoney spoke in favor of legislation to "make the Federal Trade Commission, rather than the Department of Agriculture, the agency having jurisdiction to prosecute antitrust and monopolistic practices in the meat-packing business." p. 4215
13. SURPLUS FOOD. Sen. Clark spoke in favor of legislation to provide for greater distribution of surplus food to the needy, and inserted a resolution from the City Council of Philadelphia favoring such legislation. pp. 4181-2  
Sen. Aiken stated that he had been advised by the Secretary that "as soon as it can be packaged and prepared for distribution, butter owned by the Commodity Credit Corporation will be made available for welfare work in the States." p. 4185
14. ECONOMIC SITUATION. Sens. Humphrey and O'Mahoney discussed the current economic situation. pp. 4189-94

## CONSIDERATION OF SENATE JOINT RESOLUTION '162

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MARCH 19, 1958.—Referred to the House Calendar and ordered to be printed

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Mr. COLMER, from the Committee on Rules, submitted the following

### R E P O R T

[To accompany H. Res. 505]

The Committee on Rules, having had under consideration House Resolution 505, report the same to the House with the recommendation that the resolution do pass.







## House Calendar No. 169

85TH CONGRESS  
2D SESSION

# H. RES. 505

[Report No. 1534]

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### IN THE HOUSE OF REPRESENTATIVES

MARCH 19, 1958

Mr. COLMER, from the Committee on Rules, reported the following resolution ;  
which was referred to the House Calendar and ordered to be printed

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## RESOLUTION

1       *Resolved*, That upon the adoption of this resolution it  
2 shall be in order to move that the House resolve itself into  
3 the Committee of the Whole House on the State of the Union  
4 for the consideration of the joint resolution (S. J. Res. 162)  
5 to stay any reduction in support prices or acreage allotments  
6 until Congress can make appropriate changes in the price  
7 support and acreage allotment laws. After general debate,  
8 which shall be confined to the joint resolution and shall con-  
9 tinue not to exceed two hours, to be equally divided and  
10 controlled by the chairman and ranking minority member of  
11 the Committee on Agriculture, the joint resolution shall be  
12 read for amendment under the five-minute rule. At the



1 conclusion of the reading of the joint resolution for amend-  
2 ment, the Committee shall rise and report the same to the  
3 House with such amendments as may have been adopted,  
4 and the previous question shall be considered as ordered on  
5 the joint resolution and amendments thereto to final passage  
6 without intervening motion except one motion to recommit.

House Calendar No. 169

85TH CONGRESS  
2d Session

**H. RES. 505**

[Report No. 1534]

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## RESOLUTION

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Providing for the consideration of S. J. Res.  
162, to stay any reduction in support prices  
or acreage allotments until Congress can  
make appropriate changes in the price sup-  
port and acreage allotment laws.

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By Mr. COLMER

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MARCH 19, 1958

Referred to the House Calendar and ordered to be  
printed





# H. RES. 505

OFFICE OF THE CLERK

## RESOLUTION

Resolved, That the Committee on the Judiciary do hereby report the following

resolution to the Senate, with the recommendation that it be passed

with amendments, and that the Senate do thereunto assent.

Resolved, That the Committee on the Judiciary do hereby report the following

resolution to the Senate, with the recommendation that it be passed

with amendments, and that the Senate do thereunto assent.

# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued March 21, 1958  
For actions of March 20, 1958  
85th-2d, No. 45

## CONTENTS

Acreage allotments.....1,24		
Adjournment.....11		
Annual leave.....2		
Area development.....7		
Appropriations.....5,37		
Budgeting.....6		
Contracts.....38		
Cotton.....1		
Dairy industry.....19		
Dairy prices.....1		
Economic situation....9,22		
Electrification.....27		
Export-Import Bank.....15		
Farm housing.....14		
Farm policies.....21		
Farm program.....8,18,28		
Farm statistics.....28		
Federal aid.....9		
Food stamps.....35		
Foreign trade.....12		
Forestry.....3,16,29		
Grain storage.....14		
Housing loans.....14		
Irrigation.....39		
Lands.....29		
Legislative program..10,24		
Meat packers.....4,13		
Meat prices.....23		
Personnel.....2,26		
Price supports.....1,24,28		
Property.....34		
Public Law 480.....12		
Purchasing.....38		
Reclamation.....27		
Rice.....1		
Roads.....33		
Surplus commodities.....12		
Tariff.....36		
Textiles.....31		
Trade agreements.....30		
Transportation tax.....32		
Water resources.....25		
Wheat imports.....17		
Wilderness areas.....20		

HIGHLIGHTS: House passed measure to freeze price supports and acreage allotments. Senate passed bill to extend Public Law 480. Sen. Cooper commended Secretary for expanding farm housing loan program. Senate made bill to transfer certain functions under Packers and Stockyards Act to FTC unfinished business.

## HOUSE

1. PRICE SUPPORTS; ACREAGE ALLOTMENTS. Passed, as reported, by a vote of 210 to 172, S. J. Res. 162, to prohibit reductions in price supports or acreage allotments below 1957 levels (pp. 4355-4400). Adopted the Committee amendment to make the measure effective as to price supports only for the 1958 marketing year and as to acreage allotments only through the 1959 crops (pp. 4383-7). Rejected, 41-99, Rep. Hagen's amendment to strike out of the national acreage allotment the present special allotment of 100,000 acres for the 4-acres-or-less upland cotton and rice growers (pp. 4387-91). Rejected, 94-132, Rep. Tewes amendment to strike from the measure all commodities except dairy (pp. 4391-4). Rejected, 173-210, Rep. Harvey's motion to recommit the measure with instructions to report back with amendments to freeze dairy price supports only (p. 4399).

2. ANNUAL LEAVE. The Post Office and Civil Service Committee reported with amendment H. R. 7710, to provide for the lump-sum payment of all accumulated and accrued annual leave of deceased Government employees (H. Rept. 1539). p. 4413



3. FORESTRY. The Public Lands Subcommittee ordered reported to the Interior and Insular Affairs Committee H. R. 6198, to transfer 6,000 acres from the Sequoia National Park to the Sequoia National Forest. p. D239
4. MEATPACKERS. The Rules Committee deferred action on the granting of a rule on H. R. 11234, to grant the FTC certain jurisdiction over meatpackers. p. D239
5. APPROPRIATIONS. House conferees were appointed on H. R. 10881, the second supplemental appropriation bill. Senate conferees have been appointed. p. 4402  
The Appropriations Committee was given until midnight, Fri., Mar. 21, to file a report on the independent offices appropriation bill for 1959. Rep. Vursell reserved all points of order on the bill. p. 4350
6. BUDGETING. Rep. Zelenko criticized the withholding of funds appropriated by Congress, in reserves or for use for other purposes as being contrary to the Constitution and the intent of Congress, and urged enactment of legislation to prevent such withholding. p. 4350
7. AREA DEVELOPMENT. Rep. Lane urged adoption of an area development program to aid communities with large numbers of unemployed workers. p. 4406
8. FARM PROGRAM. Rep. Henderson discussed and inserted a public opinion poll of his district, in which 65% favored ending agricultural controls and price supports. pp. 4409-10
9. FEDERAL AID; ECONOMIC SITUATION. Rep. Alger insisted Federal aid was not needed and pointed to the personal income statistics for Feb. 1958 as proof that there was no recession today. p. 4349
10. LEGISLATIVE PROGRAM. Rep. McCormack announced that the independent offices appropriation bill would be considered Mar. 25-8, and the Labor, Health, Education, and Welfare Departments appropriation bill would be brought up on Mar. 27 (pp. 4389-90).
11. ADJOURNED until Mon., Mar. 24. p. 4413

#### SENATE

12. SURPLUS COMMODITIES; FOREIGN TRADE. Passed with amendments S. 3420, to extend Public Law 480. pp. 4306-15, 4317, 4318-35, 4338-39  
Agreed to the following amendments:  
By Sen. Aiken, as modified by an amendment by Sen. Humphrey, to strike out sections 5 and 6 of the bill. Section 5 would have provided for an expanded barter program of up to \$500 million for disposal of surplus commodities. Sen. Aiken explained that section 6, as modified by Sen. Humphrey's amendment, would have provided as follows: It "would require the payment of the regular rates of duty on nonstrategic materials obtained under barter deals. Also, it would not require other agencies of the Government to buy nonstrategic materials from the Commodity Credit Corporation; it would leave to the Commodity Credit Corporation to hold such goods as might be obtained." The vote on the modified amendment was 44 to 39. pp. 4306-15, 4317  
By Sen. Martin, Iowa, to provide that no strategic or critical material shall be acquired by CCC by barter or exchanges except for the national stockpile, for the supplemental stockpile, for foreign economic or military aid or assistance programs, or for offshore construction programs. p. 4323



ditionously implementing its passage through the House.

#### PRICE SUPPORT AND ACREAGE ALLOTMENT LAWS

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution—House Resolution 505—providing for the consideration of Senate Joint Resolution 62, to stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (S. J. Res. 162) to stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws. After general debate, which shall be confined to the joint resolution and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield myself such time as I may consume.

(Mr. COLMER asked and was given permission to revise and extend his remarks.)

Mr. COLMER. Mr. Speaker, as the reading of the rule would indicate, it makes in order the consideration of the Senate joint resolution, Senate Joint Resolution 162, House Resolution 505. The rule is an open rule and provides for 2 hours of general debate on the joint resolution.

Mr. Speaker, this might well be termed stopgap legislation. In the last few days, the House of Representatives as well as the other body has passed legislation aimed at stopping the so-called recession. In other words, there has been a movement afoot on the part of the Congress to stimulate business and furnish employment in all segments of our economy. I think it is fair to say that this particular resolution would in a sense do the same thing for agriculture as has been done for these other segments of our economy in the legislation which has already been passed. May I repeat, Mr. Speaker, that this might well be termed stopgap legislation. Certainly, it is not an answer to the farm problem, but it would retain the status quo so as to prevent further declines in prices of the basic agricultural products. In other words, what this resolution would do would be to say that in this spiral of recession, you cannot jerk the floor out from under the prices which the farmers are now receiving and which are generally regarded as inadequate. I think the joint resolution which we will

consider following the consideration of the rule should be adopted and I hope signed by the President. But I hope this will not be an end of farm legislation in this session of the Congress. A long-range and more adequate program must be adopted if agriculture is to share equally in our managed economy.

Tobacco is specifically excluded from provision of the resolution since supports for it have not been reduced in 1958 and because tobacco comes under a different program generally.

The Senate version differs from the House version which we will consider here today in that under the provisions of the Senate resolution the supports and acreage allotments would be frozen until further and affirmative action were taken by the Congress. Under the House version, the application of the resolution in the case of price supports is limited to the 1958 crop or market season and the 1959 crop in case of acreage allotments since acreage allotments for 1958 have already been determined and announced.

Moreover, if the price support rates announced by the Secretary of Agriculture become effective, assuming that the volume of the various crops in 1958 is the same as 1957, it is estimated that there would be a cut in farm income of about one-half billion dollars.

Mr. Speaker, while I recognize and appreciate that there is justification for a difference of opinion on whether this is the proper procedure, I cannot do otherwise than support this transitory program pending the development of a long range and more effective program under the existing circumstances in the present day economy. I am not one of those who assumes to have the answer to the agricultural dilemma. Neither do I belong in the category of those who belabor and belittle the Secretary of Agriculture. I am perfectly willing to subscribe to him the same credit for sincerity that I would expect if I were in his position. But I cannot see how we can fail to at least attempt to give the farmer, in the present economic situation, something in the nature of the same treatment that we are rendering to labor, Federal employees, the members of the armed services and industry, generally.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, my good friend, the gentleman from Mississippi, has explained the rule. I regret that I do not agree with him in regard to the merits of this bill. I readily admit that I am no authority on agriculture, but I do know enough about the subject to realize that this is not a good bill. It should be defeated.

I come from the 16th Congressional District of Illinois. I believe there is not a more diversified agricultural district in the United States than the district I represent. It is my understanding that from 55 to 60 percent of the national farm income is derived from livestock. I would say that the ratio of 55 to 60 percent holds good in my district as well as most districts in the Midwest.

We all know that at the present time there are no Government controls on livestock. While I was home in my dis-

trict last fall I met with many farm people. Without exception they told me that a fair price for cattle was from \$26 to \$28 a hundred. They told me, likewise, that a reasonable price for hogs was from \$19 to \$21 per hundredweight.

Last week the Chicago papers showed that the top price of cattle on the Chicago market was \$37.50 per hundredweight. That is the highest price received by cattlemen during the past 5 years. The same paper also stated that the price of hogs on the market in Chicago was \$22.50. That is the highest hog price in many months. So I say when you start talking about rigid price supports that you must take into consideration the present state of the livestock market, for income from livestock accounts for 55 to 60 percent of the national farm income. You must not do anything to jeopardize those prices.

I would say that if this bill is passed the price of livestock will be jeopardized.

The gentleman from Colorado [Mr. HILL], before the Committee on Rules yesterday stated that there is a 200-percent surplus in feed grains. If you put a rigid price on feed grains with the present surplus of 300 percent it is only logical to assume that more feed grains will be produced to be added to the already overabundance. This fed to cattle will put more cattle on the market and the final result will be a breaking of the price of livestock.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. COLMER. If I understand the gentleman correctly he takes the position that since livestock is not supported it is doing very well on the free and open market. Is that correct?

Mr. ALLEN of Illinois. That is correct.

Mr. COLMER. Is it not a fact that every time the price goes down for livestock, the livestock industry calls on the Government to come to their rescue and bail them out? Has that not been done on several occasions?

Mr. ALLEN of Illinois. I may say to the gentleman from Mississippi that has been true to a certain extent, but I do not believe to the same degree that it has with regard to cotton, peanuts, tobacco and those things.

Mr. COLMER. I point out to the gentleman that we are not asking for that kind of assistance. We are trying to prevent here a further decline in the income of the farmer while we are protecting everybody else with these bills and resolutions that we have passed in the last few days.

Mr. ALLEN of Illinois. I want to say, and I cannot emphasize this too much, Mr. Speaker, that now you have the livestock situation which brings to the farmers 55 to 60 percent of their national income and it is not under Government control. I predict now if you start holding these rigid price supports in regard to feed grains and other things, you will have the livestock market in the position where the farmers throughout the Middle West are getting a great deal of their income in the same position as other things that are now under control.

Mr. COLMER. As I stated a moment ago, I do not think this is the answer



to the farm problem. On the other hand, would the gentleman go so far with his line of argument as to say that we should take the Government out of all of these various segments of our economy? It is true that we have a managed economy and if you are going to protect one segment of that economy you also have to protect the others.

Would the gentleman advocate the Government getting out of all of these?

Mr. ALLEN of Illinois. If this bill does not pass, and I hope it does not, the Government will not be out of it anyway. I have always stood for flexible price supports, not rigid price supports. And if this bill does not pass, it will not mean that the Secretary of Agriculture or the Government is going to be out of all stages of our agricultural economy.

Mr. Speaker, in conclusion I feel certain that after you have listened to the debate on this bill, you will probably agree, and will agree, that the flexible price-support program is the best for the farmer. I am convinced if you bring forth more of these rigid price supports you are going to find the livestock market in a much worse condition than it is at the present time.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from North Carolina.

Mr. COOLEY. It is true that the livestock people have not had and they do not now want any controlled program; but, as suggested by the gentleman from Mississippi [Mr. COLMER], a moment ago, in 1 year our livestock industry cost the taxpayers of America in the neighborhood of \$250 million, which amount was spent through a diversion program. Congress raised no complaint about that. The gentleman from Illinois has pointed out the situation that stock is now selling at a fair price, so far as hogs and cows are concerned. While your farmers may be prosperous, there are other farmers in the Nation that may be impoverished.

Now, the gentleman mentioned strict price supports, high-level supports. Cotton was supported during the years at 90 percent of parity, and after we had a cotton program for more than 20 years the program showed a net profit of \$267 million, and that profit was still on the books January 1, 1953. Since that time we have lost that profit and sustained tremendous losses. As pointed out by the gentleman from Mississippi [Mr. COLMER] it is not the purpose of this legislation to increase price-support levels. Mr. Benson last year fixed price supports on these commodities. We are only saying to him that "We accept your calculations of 1957 and we want to extend that program that you fixed through 1958 on price supports." Now, it seems to me that there should be no objection to this hold-the-line bill for agriculture. It is only stopgap legislation or hold-the-line legislation, and I hope that the gentleman will not oppose the passage of the bill, especially in view of the fact that the House committee substantially changed the bill and modified it and made it applicable to prices only for 1 year and acreage allotments for only 1 year.

Mr. ALLEN of Illinois. I will say to my good friend, the chairman of the Committee on Agriculture, that the soundness of my argument is the fact that the livestock industry, which is not under Government control, not under rigid price supports, is receiving from 55 to 60 percent of the national farm income and probably doing better in the interest of the farmers than any other commodity. I think that is the soundness of my argument. Personally I am not going to ask for any rollcall on the rule, but I am convinced that after the membership of this House hears the debate and realizes that one segment of agriculture that is not under controls is better off than the other segments, they will not vote for this bill and put rigid price supports on and bring in more feed grains, which will break down that segment of agriculture.

Mr. BASS of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Tennessee.

Mr. BASS of Tennessee. I wonder if the gentleman remembers what the price of pork was in the spring of 1956, just 2 years ago.

Mr. ALLEN of Illinois. I will say to the gentleman that it was much lower than it is now.

Mr. BASS of Tennessee. Hogs were selling on the Chicago market in 1956 at \$12 a hundred. At that time the Secretary of Agriculture spent \$85 million in 1 program of buying pork and taking it off the market to increase the price. Now, pork and livestock prices run in cycles, and the very reason you have a good price on livestock this year is because it was so bad in 1956 that the people quit raising pigs and cattle. That is exactly what happened.

Mr. ALLEN of Illinois. There you are again supporting my argument. Why put controls on things and bring them down when they have done so well under conditions that prevailed before?

Mr. BASS of Tennessee. The reason prices are good now is because the Government did get into it and the Government had to support the industry, and that is the very reason it is in good shape today. They have spent as much money on individual commodities and livestock as they have on any other commodity of agriculture in the past 5 years.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. COAD].

Mr. COAD. Mr. Speaker, no one is more aware than I am that merely to freeze price supports on agricultural commodities is not enough to be anyway near the total solution to the farm problem. This resolution is admittedly a stopgap measure. It will provide only partial and temporary assistance to our farmers who have suffered 5 long years of economic decline. This thing called recession is nothing new to rural America. Today's national recession started on our farms when the farmer first began to lose his fair share of the national income. The farmer has had to sell the bulk of his products at depressed prices. The farmer is the only American merchant who buys everything at retail; who sells everything at wholesale; and pays the freight both ways.

If the American farmers had received a rightful share in the national income last year, they would have had \$15.2 billion more income to spend. But, the way it was, they lost out on this \$15.2 billion. This simply means the American farmers subsidized the processors, the middlemen, and everyone else who dealt in agricultural commodities. We hear so much about the farmers being subsidized. It is simple and plain that the farmers are the ones doing the subsidizing. The net income of farmers has dropped 24 percent from January 1953 to January 1958. In 1957 the net income was only \$11.5 billion which is the lowest total since 1942.

But the profits of food and kindred products manufacturers increased 36 percent from 1952 through 1956.

Obviously, taking away parts of the time tested agricultural programs will not bring about a healthier farm economy. We are living in a time when 90 percent of everything we use in life is sold at an administered price. Until the farmer is able to effectively organize and control his own market it is the duty of Government to lend vital assistance.

Mr. Speaker, there are those in high official positions who realize the seriousness of this situation on the farm. Mr. Max Soeth, the chairman of the Agricultural Stabilization and Conservation Committee for the State of Iowa, has announced just this week that he is resigning that position because of the Benson-Eisenhower farm policy. This takes courage on the part of Mr. Soeth, but in this time and situation, men of purpose must act with courage.

The following is a news item appearing in the March 18, 1958, edition of the Des Moines Register announcing the stand and action of Mr. Soeth:

IOWA'S ASC CHIEF QUILTS; HITS BENSON  
(By J. S. Russell)

Disagreement with the farm policies of Secretary of Agriculture Ezra T. Benson and the administration prompted the resignation of Max M. Soeth of Estherville as chairman of the Iowa Agricultural Stabilization and Conservation (ASC) Committee, it was learned here Monday.

Soeth's resignation is to be effective March 28 as chairman and as a member of the committee which administers the farm program in Iowa.

In a letter to Secretary Benson he cited several reasons why he could not continue to serve, and a copy of this letter was sent to President Eisenhower who has backed his Secretary of Agriculture in the face of considerable criticism.

#### A DISAPPOINTMENT

"Your address at the National Farm Institute in Des Moines recently was a disappointment to me," Soeth said in part in his letter to Secretary Benson.

"I cannot accept your recommendations to lower price supports, do away with acreage allotments and give the farmer more freedom.

"The farmer had that kind of freedom in 1930."

Soeth told the Secretary that some of the rulings coming out of Washington, D. C., had tended to prevent the farm programs in force from being successful. He also charged that Benson had discredited the Soil Bank program in his statements.

#### PRICE OF CORN

He criticized specifically the support of the price of corn raised by farmers who over-



planted their acreage allotments and the fact that cross compliance or control over diverted acres under the farm program never was exercised.

"Granting price support for noncompliance corn when allotments were in effect was unfair to farmers then participating in the allotment program," Soeth told the Secretary.

"This action was not even good politics; it only aggravated and increased the surplus problem."

#### ADD TO PROBLEM

He went on to explain that 33 million bushels of 1956 corn was placed under price support at the low levels, and that a similar result on 1957 corn is certain which will add materially to our surplus and storage problem.

"I deeply regret that we never had a chance to try cross-compliance \* \* \* such a step would have gone a long way toward reduction of production," Soeth said.

"The Soil Bank has been discredited by you in your recommendations to Congress.

"However, there has been a tremendous acceptance of the program in 1958, the first year in which it really could be given a fair trial and yet you wish to do away with the acreage reserve, the only program which effectively reduces production.

#### RESERVE LAND

"I am convinced that far greater participation in the acreage reserve could be obtained and certainly the cost would be less than the price support and storage payments for corn produced on potential acreage reserve land."

Soeth also criticized some of the statements by Secretary Benson and said he understood that the Department is telling farmers that lowering of price supports will mean savings in their food bill.

"This prompts recollection of the statement of the late Senator Capper, of Kansas, that 55 loaves of bread and other products come from a single bushel of wheat," he said.

"In other words, the cost of a loaf of bread would change very little even if the farmers received nothing for the wheat."

The resigning Iowa ASC chairman also told the Secretary that confusion is becoming worse than ever in the Department of Agriculture.

Soeth is to be succeeded as chairman of the State agricultural soil conservation committee by Joe F. Carber of Delmar. The new committee member is to be Chester R. Schoby of Algonia.

Now, as I said at the beginning of these remarks, Mr. Speaker, this price support freeze resolution is not the final and total answer. But, it will provide some greatly needed assistance this crop year. This will give the Congress the opportunity to start building a more adequate farm program. The Congress is today meeting a grave responsibility in extending this assistance to our farmers. The products of the soil are the bases of all our new wealth, and if the price on these products is exploited, the entire national economy will suffer because the foundation of our national wealth will not exist.

Look what has happened. American agriculture has been underpaid. Without this vital income our farmers could not buy tractors and machinery. Automobiles are not purchased. Furniture stays in the stores. People are laid off in the factories, and a recession is started. Mr. Speaker, today we have full blown recession in this country. There are over 5 million unemployed. The basis of this recession was laid when our farmers failed to receive their rightful share. We must pass this resolution today to help stem the tide of this recession.

As a temporary stimulus to business we can go into debt but debt is the pre-spending of profits and savings, and the time will come when debt must be repaid.

Since 1951 the total public and private debt has increased over \$270 billion. A sound national economy is based on earned income, not on indebtedness. We must have balanced production at fair prices, with full employment at fair and adequate wages.

As a Representative of the people of an agricultural district which is second to none, I urge the adoption of this resolution as a minimum starting point.

#### CALL OF THE HOUSE

Mr. CURTIS of Missouri. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

#### [Roll No. 26]

Barden	Doyle	McIntosh
Barrett	Durham	Macdonald
Bates	Fallon	Morrow
Blatnik	Forand	Mitchell
Boland	Garmatz	Moulder
Bow	Glenn	Radwan
Buckley	Gordon	Rains
Byrd	Grant	Rhodes, Ariz.
Cannon	Gray	Rivers
Celler	Gwinn	Shelley
Coudert	Hays, Ohio	Sheppard
Cunningham,	Heseltun	Sieminski
Nebr.	Hollifield	Thomson, Wyo.
Davis, Tenn.	Kean	Ullman
Dawson, Ill.	Kearney	Utt
Dies	Kearns	Wigglesworth
Dingell	Kee	
Dooley	Long	

The SPEAKER. On this rollcall 381 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

(Mr. COAD asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. ALLEN of Illinois. Mr. Speaker, I yield 4 minutes to the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Speaker, I would not want to say that anyone is deliberately trying to cloud the issues involved in this resolution, but some of our colleagues have made some rather unusual statements and being men of considerable ability it seems they surely should know better. In the next few minutes, I want to try to set the record straight on some of the points that have been raised.

First, let us clearly understand what we have before us. It is simply a resolution by the Congress which says that the Secretary of Agriculture may not, for this 1 year only, reduce farm commodity price supports below those established for last year's crops. The same applies to acreage allotments. It is just as simple as that and you can't make anything else out of it. The Secretary of Agriculture established last year's price levels and he also set the acreage allotments. We are not giving him a mandate to do anything other than stick to the same figures he himself estab-

lished last year and not go any lower. Under the resolution he could go up, but knowing him as we do that is hardly likely to happen.

This is not a new farm program. It does not tie the Secretary's hands in any way other than I have just described. This is no cure for agriculture's ills but it is an aspirin, so to speak, to alleviate the pain in the farm economy caused by Mr. Benson's low-price philosophies. These low-price policies of our Secretary of Agriculture are slowly but surely bleeding our farm economy white, and we seek here today to merely apply a tourniquet to slow the flow of economic blood in the agricultural areas of our Nation.

Now, let me answer some of the highly questionable charges that have been made against the resolution.

First, there is the contention that approval of this measure will raise prices for consumers. What kind of mathematics and what kind of logic is that? All we say is that the Secretary of Agriculture shall not lower price supports below those in effect last year. The commodities housewives buy today were produced last year. The only way this resolution could raise consumer prices would be for the middleman and the processors, and the big grocery chains to take a bigger bite out of consumers' pocketbooks—and if they do that it is high time the public knew just who is to blame for high retail food prices.

Nonfarm food handlers have been reporting their highest profits in history and it is inconceivable that they would seek to further increase those profits in the face of an economic recession. The truth is, Mr. Speaker, that this resolution has absolutely no influence or effect upon consumer food prices. A further fact should be noted, and that is the fact that farm prices have gone steadily down in recent years while consumer prices went steadily up. Consumer prices have not kept pace with producer prices and there is absolutely no reason for anyone to say this simple little freeze resolution would suddenly change that fact.

We should reject this argument for what it is, and it is nothing more than a desperate effort on the part of a few to cloud the issue in the name of consumers. They simply do not have any reasonable or factual arguments against the resolution so they seek by this diversion to switch a few votes.

Then, there is the argument that enactment of this resolution will cost vast and untold sums of money. Those of us who have worked with these farm programs for many years and, especially those of us who have worked with the Agriculture budgets, know that this argument is without foundation. On the contrary, Mr. Speaker, when you reduce the price-support level on commodities in CCC stocks you simply reduce the value of those commodities and the Government stands to lose more money than if we maintained the market price level. The constant pushing down of farm prices by Secretary Benson has proven costly, indeed, not only to farmers but to the Government as a result of the devaluation of the multi-billion-dollar holdings of the Commodity Credit Corporation.



Even if it did cost a few more dollars to hold up our farm economy at the 1957 level, how can any man who votes for billions of dollars in foreign-aid and public-works programs, running into more billions, vote, with conscience, against a resolution to freeze the minimum supports under our agricultural economy which is at the bottom of the ladder already. Any Member who thinks this through will reject the cost argument against the resolution.

Another argument is to the effect that there is no need for this resolution because the Committee on Agriculture is about ready to bring general farm legislation before us. Now, that one is really farfetched and we have heard it many times before. Last year, for example, the shoe was on the other foot when we had the Agriculture appropriations bill before us. You will recall that the advanced authorization for the Soil Bank was under attack and the proponents of the amendment to kill the Soil Bank argued that they merely sought a delay until the Secretary could testify before the Committee on Agriculture. They succeeded in killing the Soil Bank in the House by a very narrow margin, and I daresay many Members voted for the amendment striking out the funds on the basis of that plea for delay until the Secretary could testify. Well, he testified, and his testimony was no different from his earlier statements and did not change a thing. The Senate restored the Soil Bank and when the bill came back in conference not a voice was raised against it.

Any man or woman in this House who has been here a year or more knows that it is ridiculous in the extreme to set aside a deserving measure once it is brought before us in the hope that some other bill may some day be brought out of some committee. That is not good legislative procedure and everyone knows it. I hope you see through this flimsy argument and follow your own good judgment.

Still another argument is to the effect that hog and cattle prices are good right now and passage of this resolution will in some unexplained way tumble those prices. There is another far-fetched and baseless statement. In the first place, do not forget that the present livestock market is based on 1957 supply and market conditions and we seek by this resolution to do what? Simply to freeze minimum prices set for 1957 crops. This is a status quo proposal and will help maintain good livestock markets. There is nothing in it to do otherwise.

Failure to approve this resolution may, in the long run, be much more of a threat to the livestock market. Anyone who has ever raised hogs or fed cattle, and certainly anyone who has ever followed the livestock market, knows that cheap feed eventually means cheap livestock. I argued this with Mr. Benson his first year in office and he disagreed with me, but I will say this for him—he has learned one thing at least and that is that cheap feed always leads to cheap livestock. Not too long ago he publicly stated that he had come around to my position on this. If there is anything certain in our agricultural economy, it is this eventual adjustment of livestock prices to feed prices. That is why I say,

in the long-range best interests of livestock farmers, we must stabilize our feed grain prices or they will all be in the slump together. A vote for this resolution is as much in the interests of the livestock farmer as it is for the grain farmer, and do not let anyone tell you to the contrary.

Finally, Mr. Speaker, there are a few here who purport to speak for farmers themselves in opposition to this resolution. In answer to them, I would call attention to the source of these arguments. Note how very few Members from the real farming areas speak against this resolution. Note well that most of these opponents are from urban districts with little more than a few chicken farmers in their districts. Do you think for one moment that we from the agricultural Midwest who have devoted years of time and study to this subject would vote against the best interests of our constituents?

Just how do the people affected by this resolution feel about it? I hold in my hand a picture received in the mail this morning. Here is a great crowd of farmers, and they are voting on a resolution in support of the measure before us. If anyone doubts my word on this they can look at this picture and see every hand raised. The vote was unanimous in favor of action to prevent the Secretary moving to further depress farm prices.

This is a picture of the annual meeting of the members of the Atwater Creamery Co., at Atwater, Minn.

I also received in this morning's mail a letter dated March 18 and signed by Clarence Swenson, secretary, informing me that the directors of the Lake Park Cooperative Creamery, at Lake Park, Minn., had unanimously adopted the following resolution:

*Resolved*, That we inform our representatives in Congress from Minnesota and request that they favor the bill freezing all basic farm commodities at the present levels.

That, Mr. Speaker, is the will of farm people and I hope this House will be responsive to their urgent plea for appropriate action.

We are all agreed that we want to do what is reasonable and necessary to stem the tide of recession in our economy. What better place can we begin than to at least freeze the minimum support levels under our agricultural economy which is already on the lowest rung of our national economic ladder.

Halt the decline in our farm economy and you will have taken the first essential step to turn our national economy back up where we all want it to go.

I hope the resolution is approved by an overwhelming majority in the best interests of our entire Nation. I plead with our colleagues from the cities as well as the farms to take this critical first step back up.

Mr. ALLEN of Illinois. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New Jersey [Mrs. DWYER].

(Mrs. DWYER asked and was given permission to revise and extend her remarks.)

Mrs. DWYER. Mr. Speaker, I rise to oppose the pending resolution.

Mr. Speaker, I wish to associate myself strongly with the views expressed by my colleagues who oppose the pending resolution.

In my view, this is the worst kind of farm legislation—harmful both to farmers and consumers. It extends to additional commodities a rigid price support program that has already failed. It will keep consumer prices arbitrarily high, with no corresponding advantage to farmers. Markets will be lost, both here and abroad. And the bill which taxpayers must pay for increasing farm surpluses will continue to grow indefinitely.

Try as I might, Mr. Speaker, I cannot appreciate the logic underlying this resolution. It will, in effect, force farmers on a wider scale than in the past, to produce commodities not for consumption but for storage. In the midst of plenty, this program is manufacturing scarcity—a scarcity of food which consumers can afford to buy. Fundamental foods like bread and butter and milk—staples which are essential in any well-balanced diet—are daily becoming too expensive for low and middle-income families to buy. And why? Not because these foods are difficult to produce or temporarily in short supply, but only because farmers find it to their dollars-and-cents advantage to sell to the Government at uneconomically high support prices.

Some of us have talked a great deal about the paradox of the present business recession, to the effect that in the midst of a declining economy and growing unemployment we are finding the consumer price index still climbing. Why is this so? To a great extent it has been brought about by rising food prices—prices which, because of high support levels, cannot adjust themselves to changing supply-demand conditions.

We are confronted with a terrible picture, Mr. Speaker, a picture of consumers with less and less money to spend and food costing more and more money to buy.

The Department of Agriculture has just announced a broadening of its program for distributing surplus food commodities to needy people. We might well ask ourselves how long it will be until substantial numbers of people will find themselves unable to purchase essential farm products and forced to get essential supplies from the Government's bursting bins of surplus foods. We may be rapidly approaching the time when Government warehouses will be the only grocery store consumers can afford to patronize.

I do not believe very many of us in this Chamber would seriously propose eliminating all agricultural controls or all forms of assistance to farmers. Our experience during the great depression confirmed the key role of the agricultural economy in the whole national economy. But I ask whether there is not some method by which Congress can relate the price of farm products to the supply of those products and the demand for them.

It seems evident to me that farmers would be the first to benefit by a system which permitted them to produce more for sale to consumers at prices which



would enable consumers to buy more of their farm products.

I recognize that the problem is not so simple as I have stated it. But I do believe that that is the direction Congress ought to be taking, rather than—as the pending resolution provides—returning to an evertightening program of artificial scarcity and manipulated inflation.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. McVEY].

(Mr. McVEY asked and was given permission to revise and extend his remarks.)

Mr. McVEY. Mr. Speaker, the Congress has before it today Senate Joint Resolution 162. This resolution has for its purpose the freezing of support prices and acreage allotments indefinitely at the 1957 level. There has been serious objection raised to this legislation by heads of farm organizations themselves. For example, Mr. Otto Steffey, president of the Illinois Agricultural Association, wires me, as follows:

Urge you oppose legislation freezing price supports and acreage allotments at 1957 levels. Such freezing action would result in further buildup of surpluses in hands of CCC to depress market prices further and cannot possibly be beneficial to farmers over long run. The continuation of corn allotments, though increased and with proposed Soil Bank requirements, leaves producers of other feed grains free to endanger corn's historic position as principal and most efficient feed.

In addition, Mr. Charles B. Shuman, president of the American Farm Bureau Federation, has sent me the following telegram:

Senate Joint Resolution 162 amended, rigidly fixing price supports and acreage allotments, is against the longtime interest of farmers and should not be approved.

Other reasons given as to why this resolution should not be adopted are as follows:

First. It would further destroy markets.

Second. It would pile up additional surpluses.

Third. It would cripple standards set for determining price supports and acreage allotments.

Fourth. It would increase greatly the cost of farm programs.

Fifth. It gives little help to small farmers.

Sixth. It would establish mandatory supports on nine additional commodities.

Seventh. It ignores effect of the transition to modern parity—takes us backward.

Eighth. It would be unfair to winter-wheat growers who signed up under the 1958 acreage reserve.

Ninth. It ignores most of the sound recommendations made by the President for further legislative action designed to expand markets and to reduce Government regulations and controls over our farmers.

There will be many arguments presented for and against this legislation, and I do not desire to go into a debate on this subject. I believe, however, that there are some facts with regard to the expenditures we have made to support

prices that are not entirely understood by this body. We hear it stated frequently on the floor of the House that the cost of price supports has been a very low figure. It has been mentioned that these supports have cost us an average of about \$1 million per year for the last 20 years. Statements of this character are entirely fallacious. No one can even estimate what the final loss is going to be when these products are finally disposed of—if that event should ever come to pass. We have piled inventory upon inventory and billions upon billions under the assumption by many that this program has cost the Government very little. The fact that the Commodity Credit Corporation has requested total authorization of \$14 billion should be ample evidence of the fact that the probable loss to be sustained reaches a very large figure.

Until recently there was not much opportunity to judge this matter, due to the fact that such large supplies were held in inventory only. In recent years, during the present administration, we have tried to dispose of some of these products in large demand, and that is why the losses have loomed large during the last 2 years. This, in itself, is conclusive evidence that when these inventories are finally disposed of the loss will reach a very high figure.

Let us turn for a moment to the Commodity Credit Corporation. This agency was originally voted, in October 1933, the sum of \$3 million. Let us look at the increase in the responsibilities of this Corporation in recent years. The Banking and Currency Committee, of which I am a member, has been called upon to increase the authorization for sums to be used by this agency, as follows:

Mar. 8, 1938.....	\$500,000,000
Mar. 4, 1939.....	900,000,000
Aug. 9, 1940.....	1,400,000,000
July 1, 1941.....	2,650,000,000
July 16, 1943.....	3,000,000,000
Apr. 12, 1945.....	4,750,000,000
June 28, 1950.....	6,750,000,000
Mar. 20, 1954.....	8,500,000,000
Aug. 31, 1954.....	10,000,000,000
Aug. 11, 1955.....	12,000,000,000
Apr. 23, 1956.....	14,000,000,000

The totals at the present time on inventory for corn, cotton, and wheat are as follows:

Corn.....bushels..	1,099,872,029
Cotton, Upland.....bales..	2,306,606
Wheat.....bushels..	743,220,743

I have given enough facts in connection with this situation to indicate that the probable loss in the future when these inventories are disposed of will reach a very large figure. The storage costs of these crops reaches approximately \$1 million per day.

It is quite evident that price supports in the past have not solved the farm problems. Those supports have made very deep problems for the Federal Government, and problems from which it will take years to recover. I realize that the questions involved are serious. However, it appears to be true that farm assets are at an all-time high record—\$188 billion as of January 1, 1958. Owner equities rose 7 percent during 1957 to a figure of \$168.4 billion. Farm

ownership is also at a record high. The postwar downtrend in prices which started in 1951 has been stopped. The level of living on farms is highest in history. Many farmers have signified that they want to return to the policy of supply and demand. This situation cannot be effected overnight, but certainly the freezing of farm prices at the 1957 level is not the answer to our problems.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. BROWN].

(Mr. BROWN of Ohio asked and was given permission to revise and extend his remarks.)

Mr. BROWN of Ohio. Mr. Speaker, the resolution before us is to make in order a Senate Joint Resolution, which is very broad in nature and, which, I can say without fear of contradiction, is of great concern to every Member of this House.

When the Committee on Agriculture appeared before the Rules Committee it was stated by some of the members of that committee that if no action of any kind is taken at this time, such as that contemplated in this Senate Joint Resolution, within 60 days there would be a new general farm bill brought out for the consideration of Congress, and the view was expressed that if this Joint Resolution becomes law perhaps such action will not come about at this time, but would be postponed for another year or two.

Therefore, I am expressing the hope that someone on the Committee on Agriculture may offer an amendment, which I will support, to this resolution to extend the present price-support arrangements on basic crops, and on milk and dairy products, for another 90 days, so that the Committee on Agriculture may have an opportunity to present to us a new general agricultural bill, because I think there is a general feeling that the present program as it is now constituted is not satisfactory.

I also want to say that I hope in the motion to recommit we may be able to do that which the Committee on Agriculture did not see fit to do, and that is, have a separate vote on the question of freezing price supports at the present levels, for either 90 days or for a year, on milk and other dairy products, because it seems that the one sector of agriculture, at least in my section of the country, which is hardest hit under the present situation are those farmers who are engaged in the production of milk and other dairy goods.

If such a motion to recommit is made to limit this joint resolution to the extension of price supports for dairy products, I shall support it, and if adopted, I can then support the bill. I hope that by these two amendments being presented to the House, if they are presented, the House can be given an opportunity to work its will, and to pass upon the various angles of this problem, rather than upon this broad, general bill which covers everything in the world of agriculture.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Speak-



er, I take these 2 minutes to point out that this joint resolution coming at this time is a confession by the critics of Secretary Benson that they have no program of their own, that they simply want to continue to snipe at and try to stop any program he may have. This is a confession of bankruptcy, of ideas I might state.

Actually, an analysis of this shows that this freezing that is proposed here is going to badly hurt the farmers. It is certainly going to continue to hurt the consumers. I will be very much interested as this debate proceeds to see whether there are any Democratic Members of Congress representing consuming districts who will take the floor and raise their voices against such a reactionary movement as this resolution represents, because, I suggest, if they sit silent now, we can then conclude that they have cast their lot with anti-Benson critics.

Mr. ALLEN of Illinois. Mr. Speaker, hogs and cattle are produced, I believe in practically every farming district in United States. We all know that if this proposed legislation passes, there is going to be more production of feed grains which will bring about a reduction in cattle and pork products. I predict if this legislation passes in the near future prices of cattle and hogs will go down, and I just wonder how many people here representing districts where hogs and cattle are raised want that to happen. That, I believe, is of sufficient importance in itself for me to speak a second time on the pending rule. I say, hear me well when I say that in my considered judgment if this legislation passes, hogs and cattle prices which do not have Government controls at this time will go down in the near future.

Mr. Speaker, I reserve the balance of my time.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. BROWN].

(Mr. BROWN of Georgia asked and was given permission to revise and extend his remarks.)

Mr. BROWN of Georgia. Mr. Speaker, I support S. J. Res. 162, which has as its purpose to interpose a 1-year stay on further support price or acreage allotment reductions in order to prevent any further decline in the farm economy while Congress formulates and enacts more permanent legislation. The Committee on Agriculture has expressed the hope that new general farm legislation may be enacted at this session of Congress, but the committee report reveals that it is clear that such legislation cannot be enacted in time to prevent damaging cuts in price supports from going into effect. To fail to enact this legislation would reduce acreage allotments below present levels.

At a time when so many have turned their thoughts to solutions for the current recession, all of us should agree that further reductions in acreage allotments would adversely affect the agricultural economy and add to the present problems which result from the recession. Agriculture is the most basic segment of our economy, and previous recessions and depressions have started on the

farm. The Committee on Agriculture has reminded the House that between 1920 and 1921 farm prices fell 41 percent and the national income fell 18 percent. We have been further reminded that between 1929 and 1932 farm prices fell 56 percent and the national income fell 44 percent, and that a great depression had demoralized the total economy.

In a recent speech on the floor of this House, I again repeated that we had learned through the experience of recessions and depressions that the conditions which prevail on the farm are ultimately reflected in the entire national economy. I further stated that it is the raw materials of the farms which start the wheels of industry, and the purchasing power from the farm commodity sales which so closely relate to the production levels which may be maintained in industry.

The committee report states that the committee amendment does not change the substance of the resolution but limits its application to the 1958 crop or marketing season in the case of price supports and to the 1959 crop in the case of acreage allotments. It is stated that the amendment underlines the committee's position that this resolution is not intended as permanent or affirmative legislation, but only as a measure to hold the line against further deterioration of the agricultural economy while new legislation is being formulated and enacted. This report further states that it is the hope of the committee to bring out a general farm bill which will include improved price support and production adjustment programs for the major agricultural commodities, and that commodity subcommittees are working diligently on these problems.

The cotton subcommittee began hearings on new cotton legislation in the early summer of 1957 and is now working on what it believes to be the final draft of legislation, and other commodity programs are receiving similar attention. The committee regards this legislation as necessary to bridge the gap until this new legislation can become law.

To permit further reductions in acreage allotments or a reduction in price supports through inaction would be unthinkable, for the farmers have been caught in a cost-price squeeze as a result of the high cost of the farm supplies they purchase as compared with the low prices they receive for farm commodities. This condition is now bringing about a noticeable sales loss in related industries and an indirect loss in sales for other businesses.

The farmer is required to operate in an economy in which he must pay higher prices because of subsidies paid to manufacturers and shippers, the increased wage and operating costs, and the higher prices which result from tariffs. The farmer has operated in a subsidized business economy, and payments to the farmer by the Government have served only to bring the farmer a part of his fair share of income.

There has been a trend for large numbers of farmers to move to towns and cities in recent years. If we fail to pass legislation under which the farmers can remain on the farm the effect

will be to add to the growing unemployment problems of our industrial areas.

The committee report reveals that the total acreage allotted to cotton for 1958—17,554,528 acres—is slightly below the total acreage allotted to cotton in 1957—17,585,463 acres.

The committee report states that this resolution proposes to prevent another half billion dollar slash in farm income, which would occur in 1958 if the reduced price-support rates announced by the Secretary of Agriculture become effective. The Committee on Agriculture has pointed out the urgency of this legislation in view of the economic situation which makes it imperative that the drop in farm income be halted—not only for the benefit of hard pressed farmers but also for the welfare of the economy as a whole. The committee has also pointed out that the Nation is in a general economic recession, that business is declining and unemployment increasing, and that our agriculture has been in a decline for 5 years.

I urge the passage of Senate Joint Resolution 162, and I hope in the meantime and before this session is over we can formulate and enact a positive program, based upon a determination to find new uses for our farm products; to recover our lost foreign markets; and to encourage local areas in their efforts to achieve a properly diversified program within these areas.

Mr. COLMER. Mr. Speaker, I yield 4 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Speaker, it seems to me on a question of this kind we have short memories. We cannot remember that when I entered Congress a few years ago we had 15 million people milling around the eastern seaboard for something to eat. We have forgotten all about wheat at 26 cents a bushel, hogs of no value, cattle at 2 cents, except in the arid West where they were 1 cent, and the buying power of the American farmer had entirely gone.

When farmers could not buy, the merchants could not sell; and when the merchants could not sell, factories closed and men went out of jobs.

I remember when this thing started in 1920, when the Federal Reserve Board put on the squeeze on a pay-up policy. We went broke in the West in 1920, but it did not reach the East until 1932. I remember what they said: "We have fed those farmers with a silver spoon long enough; if they cannot make a go of it let them get into something else."

The result was that the depression did not hit the East until 12 years later. Twelve years after 1920 you had soup lines in Boston, Philadelphia, and all over the industrial East.

I was able to convince only one man in this Congress that the plight of the farmers was the plight of the people in the East when these soup lines were formed, and he was JOHN McCORMACK, of Massachusetts, who did not have a farm in his district. He could see what was coming.

The same thing is repeating itself now. Since 1951, the average price of farm commodities has gone down 25 percent, and everything the farmer buys has gone



up 15 percent. So where do you see you are going?

I hate to see the Democratic Party the only party in this Congress that can see any protection for farmers. Very few Republicans will speak for this resolution, very few of them.

I want to tell you I am speaking for it, and the people of North Dakota will speak for it. Secretary Benson has done damage enough without having a bunch of Representatives tagging along supporting him. The longer you trail him the less votes you will get, take it from me.

He has worked on the wrong theory. He said, "Why, the price of bread is 26 or 27 cents a loaf due to the fact that we supported wheat."

Mr. Speaker, if wheat was 50 cents a bushel bread would be the same price it is today. How many raises have you had in steel, how many raises have you had in freight rates and labor costs since that formula was adopted? Can you go back now and change the freight rates? Can you go back now and change the labor rates? Do you not think that the price is pretty well fixed on wheat? And wheat has very little to do with it.

Now, Mr. Benson should have been speaking for the farmers and not trying to stir up the consumers on a thing that is not true.

Mr. COLMER. Mr. Speaker, I yield the balance of the time to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Speaker, as chairman of your Agricultural Appropriations Subcommittee, we have concluded hearings on that appropriations bill some 30 minutes ago. The last witness who appeared before us was the Secretary of Agriculture, and I regret to announce that he told us he had not changed his mind a bit. He told us that he was going to insist from now on, so long as he is in the Department, on his present course. He made that statement after I cited figures from his own Department, submitted by his own people to our committee.

That record shows that in 5 years under his administration farm income has gone down more than \$2 billion a year. In that 5 years at the Secretary's request the money paid directly out of the Treasury from the taxpayers' money to the farmers, was from \$213 million the first year he came in until in 1957 he was paying out of the Treasury in direct payments in an effort to make up lost income which the farmer had lost at the market place more than \$1 billion.

These payments are included in the poor income figures for farmers today. Mr. Speaker, in that 5 years the money that is required for a farmer to invest in order to farm has increased from \$23,000 to \$27,000, approximately. In that period of 5 years the number of employees in the Department of Agriculture has increased by 17,000, and in those 5 years the cost of operating the regular activities of the Department of Agriculture has increased from approximately \$728 million a year in 1952 to more than \$1,660,000,000 requested in the budget for the coming year.

No; that record shows that over a 5-year period farm income has gone down, payments out of the Treasury have gone up, and the consumers' prices have risen. And, the take of the group between the farmer and the consumer has greatly increased. The farmer's share of the consumer's dollar has gone down from approximately 47 percent to 40 percent, and that whole amount has been taken up by those between the farmer and the consumer, and the consumer pays more. Now listen to this. In 20 years pre-Benson the total cost of price supports and everything connected with the Department of Agriculture was only \$18,146,000,000 for 20 years. In 5 years under Secretary Benson the cost was some \$11,757,000,000. In other words, in 5 years under this man, with the resulting ill effects on the farmer, in 5 years he has spent approximately 60 percent of what it cost for the 20 years preceding him.

Mr. DAWSON of Utah. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Utah.

Mr. DAWSON of Utah. Has not this increase the gentleman is talking about occurred while the very act was in existence which this resolution would attempt to freeze into existence?

Mr. WHITTEN. No. May I say this. I do not mean to get personal, but did any of you ever read the President's veto message of the Democratic farm bill in 1956 and read it closely? It is one of the most adroitly worded messages I ever read. The first half vetoes the farm bill, because he said it fixed high level price supports, and the President was applauded in the press around the country, but the second half fixed high level price supports, and then he got a commendation for helping agriculture, and it is in the same message. May I say to you that in the period that the Secretary has reduced price supports by

approximately 20 percent farm income has gone down almost in the same proportion. May I say to you that under his administration, including the period when he has had lower price supports, contrary to what you may think, the investment in Commodity Credit Corporation stocks has increased from \$2.5 billion, when he went in, to \$7.2 billion. May I repeat, farm income is down and the consumers' costs are up and the costs from the Treasury have increased and the Government investment has almost tripled. No; those of you who remember the basis for the farm program will realize this, that in view of all the protections that are in existing law that automatically will run up costs, all of them will be pushed back down on the raw material producer in the absence of price supports. There are only two ways for the farmer to get a fair price at the market place. One of them is to shrink his production to the point that you have a scarcity, which will create a market but will hurt the consumer. If you did that, the farmer's units would be so low that his income would be worse than before. The other is to fix by law, loan or purchase contracts whereby the user of his product will have to pay it in order to get it. If price supports are 60 percent or 90 percent, under either the Benson theory or the present law, the Government is going to end up with a surplus in either instance. But, the record of 5 years shows that as you reduce price supports, the farm price will have to be made up by increasing the units of production, as the farmers try to make up in volume what he lost in price, and that is shown by the record of 5 years where the investment of commodities by the Commodity Credit Corporation has grown from \$2.5 billion when he went in to \$7.2 billion, and that happened after we have used all means of disposing of it, selling it, giving it away, destroying it, or what-not.

You cannot go along with this man's record without being convinced—in fact, he is about the only man that I can think of that his own record would not convince if you had time to study it.

Now, I am putting in the RECORD, if I have permission, Mr. Speaker, pages 55, 56, 54, 71, 65, and 66 of the agriculture hearings which we just concluded, which were placed in the record by the Department of Agriculture itself.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

*Farm income data: United States, 1939, 1946-57*

Item	Unit	1939	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957 <sup>1</sup>
Total farm income														
Cash receipts from farm marketings.....	Million dollars..	7,872	24,770	29,664	30,253	27,864	28,405	32,928	32,556	31,183	29,044	29,542	30,372	30,019
Realized gross farm income <sup>2</sup> .....	do.....	10,556	29,324	34,022	34,586	31,582	32,105	37,060	36,732	35,126	33,717	33,212	34,369	34,424
Production expenses.....	do.....	6,162	14,324	16,831	18,643	17,909	19,248	22,258	22,476	21,246	21,527	21,631	22,299	22,892
Realized net income of farm operators <sup>3</sup> .....	do.....	4,394	15,000	17,191	15,943	13,673	12,857	14,802	14,256	13,880	12,190	11,581	12,070	11,532
Total net income of farm operators <sup>4</sup> .....	do.....	4,489	14,923	15,458	17,695	12,866	13,716	16,111	15,120	13,263	12,684	11,852	11,600	12,121
Net income to persons on farms from farming <sup>5</sup> .....	do.....	5,189	16,721	17,383	19,704	14,651	15,459	18,003	17,044	15,094	14,438	13,590	13,374	13,944
Income to persons on farms from all sources <sup>6</sup> .....	do.....	7,689	21,021	22,283	24,804	19,851	20,759	23,603	23,144	21,094	20,238	19,890	20,074	20,244

Footnotes at end of table.



## Farm income data: United States, 1939, 1946-57—Continued

Item	Unit	1939	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957 <sup>1</sup>
Number of farms and income per farm														
Number of farms.....	Thousands.....	6,441	5,926	5,871	5,803	5,722	5,648	5,535	5,421	5,308	5,201	5,087	4,964	4,857
Realized net income per farm.....	Million dollars.....	682	2,531	2,928	2,747	2,389	2,276	2,674	2,630	2,615	2,344	2,277	2,432	2,374
Total net income per farm.....	do.....	697	2,518	2,633	3,049	2,249	2,428	2,911	2,789	2,499	2,439	2,330	2,337	2,496
Net productive assets per farm <sup>1</sup> .....	Dollars.....	6,094	12,435	14,137	15,871	17,109	16,962	20,397	23,183	22,928	22,553	23,786	25,075	27,000
Farm population and income per person														
Farm population.....	Thousands.....	30,810	26,483	27,124	25,903	25,954	25,058	24,160	24,283	22,679	21,890	22,158	22,257	20,396
Income per person on farms:														
From agriculture.....	Dollars.....	168	631	641	761	564	617	745	702	665	660	614	601	684
From all sources.....	do.....	249	793	822	958	765	828	977	953	930	925	898	902	993

<sup>1</sup> Tentative estimates. Preliminary estimates will be published in early March. Revised estimates based on more complete information will be published in July.

<sup>2</sup> Cash receipts from farm marketings, Government payments, value of home-produced food and fuel, and rental value of farm dwellings.

<sup>3</sup> Realized gross income minus production expenses.

<sup>4</sup> This series is total gross farm income minus production expenses. Total gross farm income is realized gross farm income plus value of change in farm inventory.

<sup>5</sup> Total net income of farm operators, plus farm wages of farm workers living on farms.

<sup>6</sup> Income to persons on farm from farming plus income to persons on farms from nonfarm sources.

<sup>7</sup> Value of farm real estate less value of dwellings, crops held for feed, livestock, machinery, and equipment, less 60 percent of the automobile and demand deposits used for production. Farm debt has been deducted from the value of productive assets.

## The farm food market basket: Retail cost, farm value, marketing margin, and farmer's share of retail cost, 1947-57

Year and month	Retail cost <sup>1</sup>	Farm value <sup>2</sup>	Farm-retail spread	Farmer's share (percent)	Year and month	Retail cost <sup>1</sup>	Farm value <sup>2</sup>	Farm-retail spread	Farmer's share (percent)
1935-39 average.....	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	40	July.....	\$1,005	\$407	\$598	40
1947.....	\$911	\$467	\$444	51	August.....	988	403	585	41
1948.....	982	497	485	51	September.....	988	402	586	41
1949.....	928	435	493	47	October.....	987	398	589	40
1947-49 average.....	940	466	474	50	November.....	981	390	591	40
1950.....	920	432	488	47	December.....	979	389	590	40
1951.....	1,024	497	527	49	1957—January.....	978	389	589	40
1952.....	1,034	482	552	47	February.....	988	380	608	38
1953.....	1,003	445	558	44	March.....	981	386	595	39
1954.....	986	421	565	43	April.....	992	395	597	40
1955.....	969	395	574	41	May.....	1,000	391	609	39
1956.....	972	390	582	40	June.....	1,014	400	614	39
1957 <sup>4</sup> .....	1,007	400	607	40	July.....	1,029	410	619	40
1956—January.....	947	369	578	39	August.....	1,036	419	617	40
February.....	942	365	577	39	September.....	1,026	411	615	40
March.....	942	373	569	40	October.....	1,017	401	616	39
April.....	951	381	570	40	November.....	1,011	407	604	40
May.....	964	395	569	41	December.....	1,012	412	600	41
June.....	991	405	586	41					

<sup>1</sup> Retail cost of average quantities of farm foods purchased per urban wage-earner and clerical-worker family in 1952, calculated from retail prices collected by the Bureau of Labor Statistics.

<sup>2</sup> Payment to farmers for equivalent quantities of farm produce minus imputed value of byproducts obtained in processing.

<sup>3</sup> Comparable dollar figures not available. The farmer's share and index numbers of the retail cost, farm value, and farm-retail spread for the years 1913-56 are published in Farm-Retail Spreads for Food Products, U. S. Department of Agriculture Miscellaneous Publication 741, 1957.

<sup>4</sup> Preliminary estimates.

## Selected data relating to agriculture, United States, 1939, and 1946-57

Year	Prices received by farmers	Prices paid or parity index	Parity ratio	Farm output			Food consumption per capita	Agricultural exports	Cash receipts from farm marketings <sup>1</sup>	Realized net income of farm operators <sup>1 2</sup>	Total farm debt Jan. 1	Index farm land values per acre Mar. 1	Food market basket <sup>3</sup>	
				Total	Livestock and products	Crops							Farm value	Marketing margin
		Index numbers 1910-14=100		Percent	Index numbers 1947-49=100			1947-49=100	Millions of dollars			Billion dollars	1912-14=100	Dollars
1939.....	95	123	77	80	85	82	94	655	7,872	4,394	10.0	82	\$ 172	\$ 279
1946.....	236	208	113	98	101	98	104	3,173	24,770	15,000	8.0	141	\$ 396	\$ 562
1947.....	276	240	115	95	100	93	102	3,957	29,664	17,191	8.5	157	467	444
1948.....	287	260	110	104	97	106	99	3,472	30,253	15,943	9.3	170	497	485
1949.....	250	251	100	101	103	101	99	3,578	27,864	13,673	11.4	177	435	493
1950.....	258	256	101	100	107	97	100	2,873	28,405	12,857	12.5	174	432	488
1951.....	302	282	107	103	112	99	98	4,040	32,928	14,802	13.1	200	497	527
1952.....	288	287	100	107	112	103	100	3,431	32,556	14,256	14.6	221	482	552
1953.....	258	279	92	108	114	103	101	2,847	31,183	13,880	16.1	221	445	558
1954.....	249	281	89	108	117	101	101	3,054	29,944	12,190	17.2	216	421	565
1955.....	236	281	84	112	120	105	102	3,199	29,542	11,581	17.8	224	395	574
1956.....	235	285	82	113	122	106	103	4,167	30,372	12,070	18.9	232	390	582
1957.....	242	296	82	113	121	106	102	\$ 4,500	\$ 30,019	\$ 11,532	19.5	247	400	607
Billions of dollars														
1956: 4th quarter.....	234	289	81					1,332	30.9	12.6		\$ 241	393	590
1957:														
1st quarter.....	237	294	81					1,283	30.3	11.7		\$ 247	385	597
2d quarter.....	243	296	82					1,129	30.0	11.4			395	607
3d quarter.....	247	295	84					962	29.8	11.5		\$ 253	414	616
4th quarter.....	241	298	81					\$ 1,126	\$ 30.0	\$ 11.5		\$ 259	\$ 407	\$ 607

<sup>1</sup> Quarterly data are seasonally adjusted annual rates.

<sup>2</sup> Note this is net income of farm operators from farming. Net income to all persons on farms, including hired farm labor, from both farm and nonfarm sources, is a different series, estimated at \$7,689,000,000 for 1939 and \$19,800,000,000 for 1957.

<sup>3</sup> The market basket includes estimated quantities of farm food products purchased per urban wage-earner and clerical-worker family in 1952. Marketing margin equals difference between the retail cost and the farm value. Data for 1939 and 1946 not strictly comparable.

<sup>4</sup> As of Dec. 31.

<sup>5</sup> Preliminary.

<sup>6</sup> Nov. 1.

<sup>7</sup> Mar. 1.

<sup>8</sup> July 1.

<sup>9</sup> December estimated.

Source: Compiled from Agricultural Marketing Service, Agricultural Research Service, and Foreign Agricultural Service data.



Hourly earnings of factory workers and urban retail food prices, United States, 1929-57

Year	Gross hourly earnings of factory workers <sup>1</sup>	Hourly earnings of factory workers (1947-49=100)	Retail food prices (1947-49=100)
1929	\$0.566	42.6	65.6
1930	.552	41.5	62.4
1931	.515	38.8	51.4
1932	.446	33.6	42.8
1933	.442	33.3	41.6
1934	.532	40.0	46.4
1935	.550	41.4	49.7
1936	.556	41.8	50.1
1937	.624	47.0	52.1
1938	.627	47.2	48.4
1939	.633	47.6	47.1
1940	.661	49.7	47.8
1941	.729	54.9	52.2
1942	.853	64.2	61.3
1943	.961	72.3	68.3
1944	1.019	76.7	67.4
1945	1.023	77.0	68.9
1946	1.086	81.7	79.0
1947	1.237	93.1	95.9
1948	1.350	101.6	104.1
1949	1.401	105.4	100.0
1950	1.465	110.2	101.2
1951	1.59	119.6	112.6
1952	1.67	125.7	114.6
1953	1.77	133.2	112.8
1954	1.81	136.2	112.6
1955	1.88	141.5	110.9
1956	1.98	149.0	111.7
1957 <sup>2</sup>	2.08	156.5	115.4

<sup>1</sup> Gross earnings do not include an adjustment for fringe benefits for tax deductions.

<sup>2</sup> Preliminary.

Agricultural Marketing Service.

Compiled from reports of Bureau of Labor Statistics.

Government payments to farmers from the Treasury 1939 and 1946-57

[In millions]

Year	Conservation program	Sugar Act	Wool program	Soil Bank program	Other	Total
1939	\$526	\$28			<sup>1</sup> \$209	\$763
1946	285	31			<sup>2</sup> 456	772
1947	277	37				314
1948	218	39				257
1949	155	30				185
1950	246	37				283
1951	246	40				286
1952	242	33				275
1953	181	32				213
1954	217	40				257
1955	188	41				229
1956	220	37	\$54	\$243		554
1957 <sup>3</sup>	228	39	49	700		1,016

<sup>1</sup> Price Adjustment Act of 1938, \$201 million; cotton price adjustment, \$8 million.

<sup>2</sup> Production payments: Dairy, \$401 million; beef, \$22 million; sheep and lambs, \$33 million.

<sup>3</sup> Preliminary.

Farm income and productive farm assets per farm 1940 and 1946-57

Year	Number of farms	Realized gross farm income per farm	Production expenses per farm	Realized net income per farm <sup>1</sup>	Value of productive farm assets per farm, Jan. 1	Realized net income per farm as percent of net value of productive farm assets <sup>2</sup>
1940	Thous.					Pct.
1940	6,350	\$1,738	\$1,063	\$675	\$6,094	14.9
1946	5,926	4,948	2,417	2,531	12,435	22.8
1947	5,871	5,795	2,867	2,928	14,137	23.1
1948	5,803	5,960	3,213	2,747	15,871	19.3
1949	5,722	5,519	3,130	2,389	17,109	15.8
1950	5,648	5,684	3,408	2,276	16,962	15.4
1951	5,535	6,695	4,021	2,674	20,397	14.8
1952	5,421	6,776	4,146	2,630	23,188	12.8
1953	5,308	6,618	4,003	2,615	22,928	13.1
1954	5,201	6,483	4,139	2,344	22,553	12.2

Footnotes at end of table.

Farm income and productive farm assets per farm 1940 and 1946-57—Continued

Year	Number of farms	Realized gross farm income per farm	Production expenses per farm	Realized net income per farm <sup>1</sup>	Value of productive farm assets per farm, Jan. 1	Realized net income per farm as percent of net value of productive farm assets <sup>2</sup>
1955	Thous.					Pct.
1955	5,087	\$6,529	\$4,252	\$2,277	\$23,786	11.2
1956	4,964	6,924	4,492	2,432	25,075	11.4
1957 <sup>3</sup>	4,857	7,087	4,713	2,374	27,000	10.4

<sup>1</sup> Realized net income per farm represents income within year and is the net realized return to farmer's labor, management and capital combined. For an analysis of hourly returns to farm operator and family labor, after allowing for 4.75 percent return on capital investment, see following table. Estimated return per hour to all farm labor, 1940 and 1946-57.

<sup>2</sup> Productive farm assets less farm debt.

<sup>3</sup> Preliminary.

Estimated return per hour to all farm labor

Year	Total realized return to all farm labor and capital <sup>1</sup>	Allowance for capital at 4 3/4 percent <sup>2</sup>	Total return to labor and management <sup>3</sup>	Total man-hours required for agricultural production <sup>4</sup>	Realized return per hour to all farm labor and management <sup>5</sup>
1929	Mil-	Mil-	Mil-	Million	
1929	\$8,982	\$2,997	\$5,985	23,158	\$0.258
1930	6,908	2,955	3,953	22,921	.172
1931	4,775	2,603	2,172	23,427	.093
1932	3,419	2,179	1,240	22,605	.055
1933	4,209	1,819	2,390	22,554	.105
1934	5,407	1,926	3,481	20,232	.172

Footnotes at end of table.

Estimated return per hour to all farm labor—Continued

Year	Total realized return to all farm labor and capital <sup>1</sup>	Allowance for capital at 4 3/4 percent <sup>2</sup>	Total return to labor and management <sup>3</sup>	Total man-hours required for agricultural production <sup>4</sup>	Realized return per hour to all farm labor and management <sup>5</sup>
1935	Mil-	Mil-	Mil-	Million	
1935	\$6,261	\$1,991	\$4,270	\$21,052	\$0.203
1936	6,889	2,138	4,751	20,440	.232
1937	7,080	2,203	4,877	22,097	.221
1938	6,047	2,206	3,841	20,577	.187
1939	6,247	2,140	4,107	20,680	.199
1940	6,245	2,157	4,088	20,445	.200
1941	8,553	2,241	6,312	20,054	.315
1942	11,831	2,566	9,265	20,857	.444
1943	15,386	3,013	12,373	20,693	.598
1944	15,871	3,404	12,467	20,496	.608
1945	16,604	3,724	12,880	19,127	.673
1946	19,303	4,051	15,252	18,448	.827
1947	21,849	4,559	17,290	17,622	.981
1948	20,765	5,044	15,721	17,149	.917
1949	18,175	5,299	12,876	16,604	.775
1950	17,367	5,198	12,169	15,259	.797
1951	19,713	6,053	13,660	15,632	.874
1952	19,293	6,723	12,570	15,196	.827
1953	18,675	6,542	12,133	15,007	.808
1954	16,874	6,319	10,555	14,555	.725
1955	16,249	6,507	9,742	14,505	.672
1956	16,954	6,628	10,326	14,177	.728
1957	16,489	7,014	9,475	13,743	.689

<sup>1</sup> Includes realized net income of farm operators, wages to hired farm labor, farm mortgage interest, rent to non-farm landlords and short-term interest.

<sup>2</sup> 4 3/4 percent of current value of farm real estate, inventory value of crops and livestock, inventory value of motor vehicles and machinery, excluding 60 percent of the automobile, and an allowance for working capital. This rate approximates the interest rate on farm-mortgage debt in recent years.

<sup>3</sup> Col. (1) minus col. (2).

<sup>4</sup> Labor requirements in terms of the number of man-hours required for an average adult male worker to perform the various farm jobs.

<sup>5</sup> Col. (3) divided by col. (4).

Source: Agricultural Marketing Service, Jan. 16, 1958

Income of farm population

[Millions of dollars]

	1952	1955	1956	1957	1957 compared to 1952
Cash receipts (gross) from marketings:					
Livestock and products	18,299	15,879	16,250	17,134	+1,165
Crops	14,257	13,663	14,122	12,885	-1,372
Total, marketings	32,556	29,542	30,372	30,019	-1-2,537
Government payments:					
Agriculture conservation program	242	188	220	228	
Sugar Act	33	41	37	39	
Wool Act			54	49	
Soil Bank			243	700	
Total Government payments	275	229	554	1,016	+741
Noncash income:					
Home consumption	2,266	1,704	1,716	1,614	
Rental value, farm dwellings	1,635	1,737	1,727	1,775	
Total, noncash income	3,901	3,441	3,443	3,389	-512
Realized gross income from farming	36,732	33,212	34,369	34,424	-2,308
Less: Production expenses	-22,476	-21,631	-22,299	-22,892	+416
Realized net income from farming (including cash payments)	14,256	11,581	12,070	11,532	-2,724
Net change in farm inventory	+864	+271	-470	+589	-275
Total net income from farming (including estimated value unsold commodities)	15,120	11,852	11,600	12,121	-2,969
Farm wages, laborers on farms	1,924	1,738	1,774	1,823	-101
Nonfarm income	6,100	6,300	6,700	6,300	+200
Total income of farm population (including off-farm employment)	23,144	19,890	20,074	20,244	-2,900

<sup>1</sup> Minus 8 percent.

<sup>2</sup> Minus 2.1 percent.

<sup>3</sup> Minus 12.5 percent.



## USDA appropriations

[In millions]

	Total	Average per year
1934-53, both inclusive:		
Regular activities.....	\$15,001.5	\$750.5
Capital stock, crop insurance.....	100.0	5.0
Capital impairment, CCC <sup>1</sup> .....	2,633.2	131.7
Special activities.....	411.7	20.6
Total, 20 years.....	18,146.4	907.3
1954-58, both inclusive:		
Regular activities.....	4,952.7	990.5
Capital stock, crop insurance.....	13.0	2.6
Capital impairment, CCC <sup>2</sup> .....	2,817.1	563.4
Special activities (including Public Law 480).....	3,974.9	795.0
Total.....	11,757.7	2,351.5
1954 total.....	1,157.2	
Net 1955-58.....	10,600.5	
1959 budget.....	3,422.9	
1954-59.....	15,180.6	

<sup>1</sup> CCC investment Jan. 1, 1953, \$2.5 billion. CCC borrowing authority, Jan. 1, 1953, \$6.750 billion.

<sup>2</sup> CCC investment, Jan. 1, 1958, \$7.2 billion. CCC borrowing authority, Jan. 1, 1958, \$14.5 billion.

Mr. Speaker, may I point out one thing. You know, this Secretary is one of the most adroit users of figures that I ever say. He has said that the record for the last year shows that the per capita farm income was the highest in history. That sounds mighty nice. The total income per year is only \$993 per year. Do you know what that includes? It includes the \$309 a year that the farmer has been making in town. His farm income, plus the \$309 a year that he has been making in town total only \$993. You know, when you think of it, when you realize that the farmer is making only \$309 in town in a whole year, it makes you wonder if they are not paying him mighty cheap rates even in town, because that when added to farm income totals only \$993.

No. Another answer that is given by our great Secretary of Agriculture is that the answer to the question is for the small farmer to get off the farm, and that will relieve your surpluses. He agreed a few moments ago that 44 percent of our farmers produce 91 percent of our commercial production, that which goes into commercial trade. Thus, if he succeeded in getting rid of the entire number of small farmers, 56 percent of the total, he would be working on only 9 percent of the production that goes into the commercial market, and if, perchance, he could rid of the 56 percent of all the farmers, they would only join the unemployment lines in your cities. Yes, it would only add to the unemployment lines in the cities. And what would be the total result in production. This small farm, added to the larger farm, which has equipment and machinery, would result in greatly increased production and not in a reduction as he would hold out to you.

Mr. DAWSON of Utah. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. DAWSON of Utah. If 50 percent of the farmers are producing 90 percent of the production, why should we be giving all these price supports to those who produce the 90 percent? It is the little

farmer who needs the help, according to the gentleman's own argument.

Mr. WHITTEN. The gentleman comes from the same State as the Secretary, and I cannot understand their reasoning. Neither apparently understands the farm program. The price-supports program is not to give anybody anything. We live in a complex society where, if you do not give protection in law in view of other laws, the cost of all of other laws will be passed back on to the producer, which will push him right down into the situation that caused the depression in the thirties.

We have tried to tell the Secretary of Agriculture and my friends on my left, you cannot let farm income go down for 5 straight years without its being felt in your cities, and you see it there now.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman.

Mr. H. CARL ANDERSEN. Has the gentleman ever heard the Secretary say anything against high price supports on sugar or wool?

Mr. WHITTEN. No; I have not. And I have not heard any of his colleagues from his area say anything against that, either.

The SPEAKER. The time of the gentleman from Mississippi [Mr. WHITTEN] has expired.

Mr. COLMER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (S. J. Res. 162) to stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution, Senate Joint Resolution 162, with Mr. ENGLE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. COOLEY. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I take this time to say to the House that our Committee on Agriculture, working through subcommittees, has been constantly busy since Congress convened early in January. We have 17 subcommittees. Each of those subcommittees has been dealing with separate and distinct problems affecting the welfare of our farmers. This joint resolution is here as a hold-the-line or stopgap measure to prevent the farmer's sliding further toward bankruptcy, until our committee can bring out overall farm legislation.

I do not think it is unreasonable for us to ask this House to accept Mr. Benson's decisions of 1957. He fixed these price supports within the authority of

his own discretion. If these prices were satisfactory to him in 1957, why should they not be satisfactory to him in 1958? That is exactly the question you have to decide.

I shall not trespass longer upon your patience. I shall yield time to the several chairmen of our subcommittees. We have a committee on wheat, one on livestock and feed grains, one on rice, and others on other commodities. I shall at this time yield 5 minutes to the gentleman from Oklahoma [Mr. ALBERT], who is the distinguished chairman of our subcommittee which deals with the problems of wheat farmers.

Mr. ALBERT. Mr. Chairman, Senate Joint Resolution 162 does two things: First, it freezes the support prices at the 1957 level on 1958 crops and, secondly, it provides that there shall be no reductions in acreage allotments in 1958.

So far as wheat is concerned, the second provision of this bill will have little bearing. The national wheat acreage allotment of 55 million acres is the minimum allotment under the law, and that minimum has been in effect for several years. It will be in effect next year either under present law or under this resolution. So far as price supports are concerned, this joint resolution is of tremendous importance to the wheat farmers of America. In 1957 wheat was supported at 79 percent of parity, approximately \$2 per bushel across the Nation. Under the present program of the Department of Agriculture this year's wheat crop will be supported at 75 percent of parity or approximately \$1.78 a bushel across the Nation.

The most recent estimate of the 1958 wheat crop is only 2 days old. It was published by the Department of Agriculture in its Crop Production Report on March 18. The estimate for this year's crop is 1,077 million bushels of wheat. On the basis of this estimate, this joint resolution will mean \$227 million to the wheat farmers of America. The difference of nearly a quarter of a billion dollars is not an imaginary difference. The price of wheat over the years has lagged slightly behind the support price. There is no question, based upon the experience of many, many years, that if this bill is passed, wheat will be marketed during this marketing year at less than \$1.78 a bushel.

The additional one-quarter of a billion dollars of purchasing power going to the wheat farmers of America under this bill will be of enormous benefit to our entire economy. The wheat farmers are consumers of many types of industrial and manufactured goods. Prosperity in the wheat belt and for that matter, throughout the farm belt, is reflected in the general economy of the country as has been said by many gentlemen repeatedly this morning. For several weeks now, both the Congress and the administration have been concerning themselves with the current recession. There can be no doubt but that the long years of declining farm prices have contributed materially to the current recession. There can be no question but that the ever decreasing purchasing power of the farmers of this country has mani-



fested itself in the lengthening rolls of the unemployed. Every year since 1952, farm income has gone down while interest income and income from dividends and corporation profits have gone up and up and up. In 1956 net farm income was \$11.6 billion. In the same year, Mr. Chairman, income from dividends was \$11.9 billion. In 1956, for the first time in the history of this country, income from dividends exceeded net income from the farms of this country. For the first time in the history of this country, the coupon clippers made more money than the farmers. Every year from 1952 to 1956, farm income went down and income from interest and dividends went up. The present recession is farm bred and farm fed.

Every year net farm income has become less and less while consumer costs for farm products have become more and more. Studies by the Committee on Agriculture, based on figures furnished by the Department of Agriculture, show that in January, 1948, the farm price of wheat reached a peak of \$2.81 a bushel, and the average price of a 1 pound loaf of bread at that time was only 13.8 cents. In 1955, the farm price of wheat had dropped to \$2.14 a bushel, yet the average price of a loaf of bread had increased to 17½ cents. Thus, while the price of wheat declined 24 percent, the price of bread advanced 27 percent. In 1952, wheat was supported at 90 percent of parity or \$2.20 a bushel and the average price of a loaf of bread was 16 cents. In 1957, with wheat at \$2 a bushel, the average price of a loaf of bread was 18.8 cents. For the wheat in an 18.8 cents loaf of bread, the farmer gets somewhere between 2½ cents and 3 cents.

Not simply in the interest of the farmers of this country, Mr. Chairman, but in the interest of the overall economy of our people, this bill like the housing bill which we passed yesterday should be passed without a dissenting vote.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield.

Mr. MORANO. Is it not true that this bill would freeze the price of bread to an unemployed worker in the State of Connecticut?

Mr. ALBERT. I will say to my good friend that this bill will have no more to do with the price of bread than it will with the flowers that bloom in the spring.

(Mr. ALBERT asked and was given permission to revise and extend his remarks.)

Mr. HILL. Mr. Chairman, I yield myself such time as I may consume.

(Mr. HILL asked and was given permission to revise and extend his remarks.)

Mr. HILL. Mr. Chairman, it is quite interesting to have the opportunity for the first time to be the ranking member of the Committee on Agriculture as we consider this freeze legislation. As far as I am concerned this resolution we are now considering seems very radical and, shall I say, to present an impossible proposition that the Committee on Agriculture has not considered 1 single minute. It is directly contrary to the recommendations the President made to

us on January 16, 1958. The President's message recommended a wider range, and I am sure all of us, if we were to talk as we really feel, would recommend a wider range; otherwise we are going to freeze farm prices and make it impossible for the farmer to make a cent of profit. Also, it will cause unnecessary future accumulation of surpluses.

Just a word here to corn producers. There is not a single word in this resolution about the acreage of grain sorghums. The Members from Oklahoma especially know that in that great State there has been developed a grain sorghum that will produce at least 20 to 40 percent more per acre than any type or kind of grain sorghum before planted. In other words, the progress has been tremendous, and this freeze legislation poses a problem to the corn farmers of the United States. That is why I was so anxious to see our committee put an end in time on this resolution. It came over to us open-ended; in other words, it could go on indefinitely. It would set aside provisions of law by ignoring the effect of transitional parity. No one has talked longer or louder than my friends on my right, especially the cotton people, for some type and kind of price control that would slide up and down as the market absolutely demands it shall do, if we are to continue to have a free market.

There is no other product in these United States, in my opinion, that needs more attention than cotton. It appears to me that I shall live to see the day of the destruction of the cotton industry, and I do not like it. There is not a single piece of cotton legislation on the books that Secretary Benson had to carry out or administer that has not been adopted, carried out, and developed by the people and the Congressmen who come from the land of cotton; in other words, it is their program, and in the committee we are listening to Congressmen who say they will go along with this 1-year freeze. It is much better than it was.

Mr. Chairman, during the debate in the other body on this resolution one of the Members made the following statement which I quote from page 3802 of the CONGRESSIONAL RECORD of March 13:

Mr. HOLLAND. Mr. President, it saddens me to see the Senate, which is generally a deliberative body, approach the enactment of so revolutionary a law as is proposed by the pending joint resolution without hearings, without a record, without giving a chance to farm organizations to be heard, without giving a chance to the Department of Agriculture to be heard, without giving anyone else a chance to know what is included in the joint resolution, which was introduced only a few days ago.

Mr. Chairman, every word of that statement applies to this same resolution as we consider it today. Our committee held no hearings, heard no witnesses, and reported this resolution with little or no consideration.

#### WINTER WHEAT

Mr. Chairman, no matter how well-intentioned the sponsors of this legislation might be, it is, in my opinion, hasty and unwise. To freeze price supports and acreage controls at the 1957 levels

at this time will create as many problems as it attempts to solve. Might I draw attention for a moment to one problem that directly affects the great Winter Wheat Belt of the Plains States? According to USDA figures, some 3,900,000 acres of winter wheat land was put into the Soil Bank for 1958. These acres were taken out of production by farmers who balanced their normal acreage against a price of \$1.78 per bushel for wheat, the announced price-support level for 1958 harvest. How many of them would have done so had they known that the level would be frozen at \$2 per bushel—the level this resolution would establish? By this resolution we are changing the rules near the middle of the crop year for one of our major crops, winter wheat.

#### PARITY

Mr. Chairman, one facet of this resolution that I would call to the attention of the House is the approach that seeks to freeze supports not at a parity level but on the basis of dollars and cents. For years support prices have been set not in terms of dollars and cents for crops, but in terms of support levels based on the percentage of parity determined in accordance with the existing law. A freeze of supports in terms of dollars and cents can, if allowed to remain in effect, completely destroy the concept of parity.

In an era of constantly changing prices of the things that determine parity, a rigid formula of dollar-and-cents support prices cannot and will not take into consideration any shift in the value a given parity level for any given crop would mean to that crop. For example, a parity level of 75 percent in 1949 for wheat would mean a smaller support price per bushel than the same parity level of 75 percent would mean in support price in 1958. Seventy-five percent of parity in 1949 would have meant a dollar-and-cents support price of \$1.61 per bushel while the same 75 percent support level in 1958 results in a price of \$1.78 per bushel. No one can predict what level of parity \$2 per bushel wheat will reach in 1959 or any future year. This basic change in approach to the long used parity concept is being made without a minute's hearing or an hour's study by the Committee on Agriculture.

Only 19 crops, plus dairy products are being supported—out of 250 commodities that farmers produce.

More than four-fifths—82.2 percent—of our costs for price stabilization in fiscal 1956 and 1957 were for 4 commodities. Wheat and cotton alone accounted for more than 48 percent of the total cost of our price-stabilization programs.

The fact is that since 1940, the per acre yield of corn has risen 56 percent, wheat 40 percent, cotton 67 percent. Last year's yields of all major crops averaged 27 percent above the 1947-49 level. To control crops effectively so as to maintain price at 90 percent of parity would mean setting allotments impossibly low. Congress would never vote such controls. No Secretary of Agriculture could effectively enforce them. And American farmers just would not stand for such regimentation.



Mr. Chairman, to adopt this resolution is to change the rules in the middle of the game. A game that means bread and butter, clothing and shelter, the very livelihood of millions of farmers. Yet we are asked to make that change without any study. If this Congress is to make the changes that would correct the present situation in agriculture let us make them without delay. If this resolution is adopted there could well be no sense of urgency to pass corrective legislation. I venture to predict that if this politically inspired legislation is adopted, our job to consider and pass legislation within the Committee on Agriculture will be more difficult than it now is. The progress we have been making on a general farm bill would come to a halt and surely nothing would be gained by this kind of an approach. Let us face the issue and strive with our best efforts to present to this House farm legislation based on reason, sound thinking, and that is economically correct, workable, and worthwhile.

*Index of prices paid by farmers—Real difficulties of the farmers*

[1910-14=100]

Item	Average, 1947-49	Jan. 15, 1958	Change
Motor supplies.....	140	172	Up 23 percent.
Motor vehicles.....	290	421	Up 45 percent.
Farm machinery.....	239	358	Up 50 percent.
Farm supplies.....	235	292	Up 24 percent.
Building and fencing.....	296	391	Up 32 percent.
Fertilizer.....	143	152	Up 6 percent.
Average above 6 items.....	221	299	Up 35 percent.
Prices paid, commodities and services interest, taxes, and wage rates.....	250	301	Up 20 percent.

*Average prices received by farmers for farm products—United States, Jan. 15, 1958, and average 1951 compared with income parity-equivalent prices*

Commodity	Actual prices		
	Average, 1951	Jan. 15, 1958	Change
Wheat.....	\$2.11	1.90	Down 10 percent.
Corn.....	1.66	.931	Down 44 percent.
Barley.....	1.26	.855	Down 32 percent.
Hay, all baled.....	25.60	19.00	Down 26 percent.
Beans, dry edible.....	7.91	7.03	Down 11 percent.
All milk, wholesale.....	4.58	4.13	Down 10 percent.

NOTE.—Freight rates not given but increase should be kept in mind, nearly 75 percent.

Due, in large part, to the fact that the Government imposes no controls on the raising and marketing of livestock, Colorado farmers and ranchers are in an enviable position. This illustrates again that it is the so-called controlled crops which are in the greatest continuing trouble.

Ranchers and farmers in Colorado had more improvement in realized net income per farm from 1956 to 1957 than those in any other State. The increase was 52 percent. Realized net income in Colorado per farm was \$1,838 in 1956 and this rose to \$2,794 in 1957.

Cash receipts from sale of cattle, wheat, dry field beans, sweetpotatoes, and sugar beets were all greater in 1957

than in 1956. This was only partially cancelled out by the rise in production expenses resulting chiefly from higher expenditures for livestock and hired labor.

Inventories of hay, wheat, and corn carried over on Colorado farms and ranches at the end of the year also increased substantially, bringing the total net income per farm in 1957 to \$3,536—almost double the 1956 figure of \$1,777.

The decline in number of farms from 1956 to 1957 was smaller percentage-wise in Colorado than the national average.

[From Longmont (Colo.) Times-Call of March 10, 1958]

#### COLORADO FARMERS' NET INCOMES LEAD UNITED STATES IN PERCENT INCREASE

WASHINGTON.—Farmers' net income last year increased in 6 Rocky Mountain States and decreased in 2, according to the Agriculture Department.

The mountain area increases over 1956 were among the largest in the Nation, which as a whole suffered a drop in receipts plus an upswing in production expenses.

United States Department of Agriculture's report on the farm income situation said Colorado farmers' net incomes in 1957 soared 52 percent over those in 1956—the biggest percentage increase in the country.

Other reported increases, by percentage, were: Wyoming 24, Nevada 18, Montana 12, Utah 10, and New Mexico 2. Arizona farm income was down 4 percent, Idaho down 6 percent.

The report had these comments on the situation in Colorado: "Cash receipts from cattle, wheat, dry field beans, sweetpotatoes, and sugar beets were up. Higher expenditures for livestock and hired labor contributed to the rise in production expenses. Increases in inventories of hay, wheat, and corn were substantial, resulting in a level of total net income per farm about twice that of 1956."

The family farm has been, is now and always will be, the backbone of American agriculture—operated by the most efficient farmers in all the world.

The size of the family farm is changing, but fortunately for America, there is no weakening of its moral or economic foundations. Today, some 96 percent of our agricultural units are family farms—the same percentage as 30 years ago. And the family farm of today—like the family farm of yesterday and tomorrow—simply means a farm on which most of the labor, capital, and management are supplied by the farmer and his family.

Income per person on farms last year was highest on record—up 2 percent over 1951, the previous high year.

Farm assets are at an alltime high—\$188 billion as of January 1, 1958.

Farmers have less than \$11 in debts for each \$100 of assets. In 1940 the ratio was \$19 for each \$100.

Owner equities rose 7 percent during 1957 to a peak of \$168.4 billion.

Farm ownership is also at a record high. Only 1 in 3 farms has a mortgage.

The postwar downtrend in prices, which started in 1951, has been stopped. Prices received by farmers in February were 8 percent above a year ago and 11 percent above 2 years ago.

The family farm continues to dominate agriculture. Ninety-six percent of

our farms and ranches are family operations, about the same as 30 years ago.

The level of living on farms is highest in history.

Farm exports in fiscal 1957 set a new record of \$4.7 billion—68 percent higher than in fiscal 1953.

The surplus production of American farms is being made available for hungry people at home and abroad.

The buildup of surpluses has been reversed. Government investment in surplus farm products owned and under loan has dropped about one-sixth in the past year and a half.

The inventory value of livestock on farms for January 1, 1958, is \$14.2 billion—higher by \$3 billion than a year ago.

The spiraling inflation of the war years has been almost halted. During the period from 1939 to 1952 the index of prices paid by farmers, including interest, taxes, and wage rates, increased more than 100 percent. From January 1953, when this administration took office, to January 1958, this index rose only 6 percent.

Income from livestock—about 55 percent of all farm income—now in good economic position.

#### PEOPLE LEAVE THE FARM

Farm population, which totaled 32,161,000 in 1935, dropped to 25,295,000 by 1945, for a 10-year decline of nearly 7 million persons under Roosevelt. Under Truman, farm population moved up to 27,124,000 by 1947 when another sharp downward trend got underway. Approximately 4.5 million farm people left the land during the last 5 years of Truman. By early 1953, when the Eisenhower administration took office, farm population had dropped to 22,679,000.

Farm population in 1957 was 20,400,000 a decline of about 2.3 million during the first 4 years of the Eisenhower administration.

Despite the longtime trend toward fewer and larger farms, the proportion of units classed as family farms is the same as it was 30 years ago.

Mr. CUNNINGHAM of Iowa. In Iowa last year there was a tremendous amount of wet corn produced. The price depressed. My question is, what effect would this resolution have on the price of wet corn?

Mr. HILL. The gentleman knows he has no business producing wet corn, but he could not stop it either. It will have no effect on wet corn, except every farmer who wants to grow corn is "frozen" in where he was last year.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Utah.

Mr. DIXON. These farmers who signed up in the Soil Bank in good faith to cooperate with the program understood they would get only \$1.78?

Mr. HILL. That is correct.

Mr. DIXON. If this bill passes, those who did not go in who did not go along with the program, will get \$2.00.

Mr. HILL. Of course, you are asking a difficult question there. That is wheat in the ground. I think he would be entitled to \$2; he should be, anyway. Ac-



cording to one of the speakers awhile ago, if the Secretary could euhre him out of it, he would not give him a dime. But, I do not believe that.

Mr. DIXON. Then he would be handicapped and treated unfairly if this goes through.

Mr. HILL. Those that put their land into wheat will get their \$2, but the man, the wheatgrower, who tries to cut down wheat acreage and help the wheat farmer is penalized.

Mr. DIXON. Is there any way that that unfair treatment could be corrected at this time?

Mr. HILL. That is outside of what I wish to say.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Illinois.

Mr. ARENDS. I would like to ask the gentleman's interpretation as to what the Secretary can do under the present formula, whether or not he can lower or increase price supports.

Mr. HILL. Well, he cannot under this bill, under what you are proposing today. If the President signs this bill, the price will be frozen.

Mr. ARENDS. What I want to know, under the formula of the present law, does not the Secretary have to go up or down under certain criteria?

Mr. HILL. Yes.

Mr. ARENDS. That is the law?

Mr. HILL. Yes.

Mr. ARENDS. Could I ask the chairman of the committee if that is his interpretation of it?

Mr. HILL. That is the understanding that we all have on what we term as a sliding scale for price supports.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from North Carolina.

Mr. COOLEY. The purpose of this resolution is to prevent the Secretary from further lowering price supports; in other words, under this resolution he can increase price supports, but he cannot lower them below the 1957 level.

Mr. ARENDS. I understand that, but I mean prior to the enactment of this proposal today, is the Secretary required by law to lower or raise the price under a certain formula? Does he have an alternative?

Mr. COOLEY. He is never required, but he must be guided by certain requirements of the law.

Mr. ARENDS. Then you mean that he has no choice in the matter?

Mr. COOLEY. No; he does not have to lower price supports.

Mr. ARENDS. He does not have to abide by what you said was the law; he can either increase or lower?

Mr. COOLEY. He can fix the price between 75 and 90 percent of parity.

Mr. ARENDS. But he does not have to by law raise or lower supports according to a formula?

Mr. COOLEY. He is required to make certain findings, and he is very flexible in making his findings to suit himself.

Mr. HILL. Mr. Chairman, I would like to hear this discussion so that I

could be informed, but I want to go ahead with my remarks.

Mr. BUDGE. Mr. Chairman, will the gentleman yield briefly?

Mr. HILL. Just briefly.

Mr. BUDGE. It so happens that in my State the two farm commodities which are yielding the greatest return to the farmer are beef cattle and potatoes, neither of which is under support. I would like to ask the gentleman whether he feels that the passage of this resolution would tend to place the Government further in the agricultural picture or whether it would tend to remove the Government from the agricultural picture.

Mr. HILL. Well, I will be glad to answer that, and then I would like to finish my statement. However, potatoes are selling extremely high and certainly are not supported—just another indication that all supported crops are not as high as potatoes or livestock.

Here is the difficulty you get into when you freeze. I think every Member of this House is interested in this matter, and we are all striving for the same purpose. Now, every one of us knows that the farmer is in a price squeeze, and we are all willing to work out a program, but when you come up to a situation where you say you are willing to freeze a certain product, I want more farm products in the proper proportion than we have them today if you are going to freeze them.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman.

Mr. COOLEY. The gentleman seems to be so opposed to freezing price supports for 1 year. But the gentleman was very much in favor of freezing wheat acreage at 55 million acres and but for the fact that acreage had been frozen, you would now have 23 million acres instead of 55 million acres.

Mr. HILL. You had the Secretary of Agriculture when I voted for that bill because before I voted for it we were increasing wheat acreage in Colorado.

Mr. COOLEY. But it is a fact that your wheat acreage is now frozen at 55 million acres and all we are trying to do for cotton is to freeze acreage at the same level it was in 1957.

Mr. HILL. You really would have it for 2 years, if you counted this year, would you not?

Mr. COOLEY. No. The acreage is all fixed for 1958. We are just trying to freeze the total acreage for 1 year, 1959; that is all. In the meantime, we will work out some program.

Mr. HILL. I think that is the best part of our whole statement, including the chairman's that we have on our desk in the House and in our subcommittees a plan to work out our difficulties by bringing to this House an agricultural bill.

Mr. BENTLEY. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman.

Mr. BENTLEY. Mr. Chairman, I would like to ask the gentleman from Colorado how he would regard a vote either for or against Senate Joint Reso-

lution 162—that is, which would be the furthest step in the right direction toward getting the Government completely out of agriculture?

Mr. HILL. Of course, the gentleman makes a radical statement. I would not vote to take all the controls off because the farmer is at our mercy. This Congress has passed all these, shall I say, intricate and difficult regulations and rules in cotton, tobacco, peanuts, rice, and what have you. Now, it would not be even reasonable to wipe them off at one fell swoop.

Mr. BENTLEY. Assuming the gentleman did want to sweep them off, which way would he counsel gentlemen to vote?

Mr. HILL. I would not vote to take them off, of course not.

Mr. BENTLEY. Which way would the gentleman vote, for or against the resolution?

Mr. HILL. I am against the resolution from first to last.

Mr. BENTLEY. If the gentleman wanted to take the Government completely out of the farm business, which would be the best way?

Mr. HILL. Against the resolution.

Mr. BENTLEY. Against the resolution?

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Connecticut.

Mr. MORANO. I ask the distinguished gentleman from Colorado, What is the effect of this freeze resolution on the consumer, in the consumer area?

Mr. HILL. I answered the gentleman a while ago. Whatever we do for the farmer, we will probably do nothing for the consumer.

Mr. MORANO. As I understand the gentleman's argument, this resolution does nothing for the farmer. Is that right?

Mr. HILL. I did not mean to leave that impression. I thought I told you it was going to do a lot of evil for him.

Mr. MORANO. The only conclusion is that it will do a lot of evil to the farmer and so do a lot of evil for the consumer, too?

(Mr. HILL asked and was given permission to revise and extend his remarks.)

(Mr. DEROUNIAN asked and was given permission to extend his remarks at this point in the Record.)

Mr. DEROUNIAN. Mr. Chairman, I am opposed to Senate Joint Resolution 162, to stay any reduction in support prices or acreage allotments.

Many of those favoring this resolution have said its passage will help the small farmer. Let us see who has been helped.

For cotton, 1954 crop, the Federal Government paid \$1,292,472.25 to the Delta & Pine Land Co., of Scott, Miss. For the 1955 crop, \$769,377.43 to J. G. Adams & Son, of Hughes, Ark.; \$455,650.67 to Lawrence Bros., of Driver, Ark.; \$395,090.11 to Tillar & Co., of Tillar, Ark.; \$971,627.23 to Chandler Co., of Fort Stockton, Tex.; \$667,092.95 to Lowe Bros., of Midland, Tex.; \$571,928.98 to Ivey & McKinney Farms, of Pecos, Tex. For the 1956 crop an increase in this year



totaling \$1,446,605.67 to the Delta & Pine Land Co., of Scott, Miss.; \$504,471.20 to Leo A. Fisher of Parma, Mo.; \$360,979.07 to C. & L. Ranch of El Paso, Tex.

For rice, the 1955 crop, \$830,662.80 was paid to the South Texas Rice Farms, of Rosharon, Tex. For the 1956 crop, \$353,332.86 was paid to the Louisiana Rice Growers, Inc., of Crowley, La.; and \$294,868.21 to George Smith and Tenants, of Dewitt, Ark.

And just to be sure no one is left out, one of the payees in 1957 was—of all things—the Mississippi State Penitentiary at Parchman, Miss., which received \$71,000 for reserve acres of cotton.

This is just a sampling of those giant farms receiving astronomical sums from the Federal Government.

Now, when is this gravy train for the big farmer, who is so vocal in his legislative demands, going to stop?

Is it not about time the consumer was given some consideration?

I hope the resolution will be defeated and Secretary Benson's farm program, to benefit all the people of the United States, will be allowed to continue.

(Mr. BASS of New Hampshire asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BASS of New Hampshire. Mr. Chairman, I rise in opposition to Senate Joint Resolution 162, to freeze farm price supports and acreage allotments for 1 year at or above 1957 levels. I oppose this measure because it continues and broadens a program of rigid farm price supports, which, since World War II, has proven a tragic and costly failure.

By extending a policy of high price supports—and this program would place mandatory supports on nine new commodities—we are assured for at least one more year of a program of soaring farm production, bigger Government-owned surpluses, more costly surplus disposal programs, and pricing our farm products out of the domestic and international markets. Passing this resolution will not solve our farm problem, but only delay the day when the Congress must face facts and get the Government out of the farm business.

There are three questions we should ask ourselves about this resolution:

First, whom does it help? It doesn't help anyone. It won't help the consumer, who will pay higher costs for food.

It certainly won't help workers, who are unemployed or working reduced hours when they have to pay more to eat with their dwindling resources.

It will not help the taxpayer, who will have to carry an additional tax burden to pay the increased farm support costs this resolution will add.

It will not really help the farmer. Rigid price supports destroy farm markets, place greater governmental control over agriculture, depress prices by piling up additional staggering surpluses, and create inefficient and uneconomic farming operations. Rigid high price supports will certainly give very little help to the small farmer, because small farmers and those with low incomes produce only 10 percent of the farm products marketed.

Secondly, we should ask ourselves: Is this truly a temporary program? The supporters of this resolution tell us this measure will last but 1 year. I only remind the House the original price-support program was temporary, and, unfortunately, it is still with us, some 16 years later, compounding the problems of farmers and consumers at an ever greater cost. Every temporary Government program I know of always becomes permanent.

And, finally, will this legislation help combat the current recession? Any serious student of the operation of high price supports knows it would have just the reverse effect. To freeze for any period of time any segment of our economy and to destroy its flexibility to react to changing conditions, particularly in a time of recession, would be very damaging to the agricultural economy of this country. And, let us not forget the taxpayers, who in time of recession, with many on reduced incomes, will be asked to put up a greater percentage of their tax money to support farm price supports. And, let us not forget the consumer, who will be required to pay artificially higher prices for food, which these supports inevitably bring.

I urge the House to reject this resolution and the Committee on Agriculture to begin serious consideration and action on a new approach—a positive program designed to solve the farm problem. This new approach, I suggest, should have as its basis the bipartisan recommendations of the Subcommittee on Agricultural Policy to the Joint Economic Committee, published February 10, 1958.

(Mr. DAWSON of Utah asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. DAWSON of Utah. Mr. Chairman, for the past 12 months, I have heard many Members of this House tell about how badly our farmers are doing. They have said that the farmer was worse off in 1957 than in previous years. I had hoped—in view of their concern—that they would propose a legislative solution.

What have they done instead? They have presented a bill to keep the 1957 program in effect. They tell us at every opportunity that in 1957 the farmer's lot was harder than ever. By urging us to support this legislation, they are in effect urging us to keep a program they have labeled ineffective.

What would this bill do?

Well, it will further destroy the farmers' markets. It will pile up additional surpluses which even now cost the taxpayers \$1 million per day to store. It would greatly increase the cost of other farm programs, a cost already too burdensome. It gives great rewards to the prosperous farmer who needs no help and it gives only token aid to farmers who do need assistance.

Mr. Chairman, one of this bill's major defects is its unfairness. The bill if passed and signed by the President penalizes those who have done the most to cooperate with the Government in the reduction of surpluses. I refer to the winter wheat farmers who already have signed up to participate in the 1958 Soil

Bank. These farmers came to that decision based upon a \$1.78 per bushel announced support price payment. On this basis they decided to participate in the Soil Bank. Now supporters of this legislation are asking us to change the rules. This measure would increase the support level to \$2 per bushel. But it is too late for those who entered the Soil Bank to change their minds. What could be more unfair than that?

President Eisenhower through Secretary Benson has put forward a program that will really help the farmer. This program will take him out of the Government straitjacket and expand his markets both here and abroad. It also provides special help directed to the small farmer who needs it. That is the program we should be debating today.

Instead, we are asked to continue the status quo and we are asked to do this by those who are the greatest critics of the present farm situation. Some farmers were sick during 1957. A continuation of the same program can only make them sicker.

Certainly, the farmer now will know who to blame if his economic situation does not improve. He knows that this is not Secretary Benson's program and he also knows that firing Secretary Benson does not raise the price of wheat or lower the price of tractors one iota.

This measure should be overwhelmingly defeated.

Mr. HILL. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. HARVEY].

Mr. HARVEY. Mr. Chairman, it is with reluctance that I must oppose Senate Joint Resolution 162, for agriculture surely needs help and time is running out for the dairyman especially. Last year, we witnessed the unfortunate exhibition of the various segments of agriculture engaged in hari-kari on the floor of this House. Members from nonfarm districts said in essence "a curse on both your houses" and joined in scuttling much needed legislation.

When we returned less than 90 days ago for the second session, there seemed to be a different spirit prevailing, a willingness to forgo recrimination and work together for the betterment of the farmer. Much progress has been made along constructive lines. There was an agreement within the committee that we would work for an omnibus bill which we would take to the floor of the House and support with unanimity.

Now, what has happened? Suddenly without any hearings and in a complete breach of faith we have this so-called quick-freeze bill before us. About the only valid argument offered for its serious consideration has been the urgency of the dairy price support deadline of April 1.

Now I am sympathetic with the plight of the dairymen but believe in this instance they are being "used". I suggested to the leadership on our committee on both sides that if they thought we could not get an omnibus bill out before the April 1 deadline, then we could give a 30 or 60 days extension to this expiration date and by that time could reasonably expect to have the omnibus



bill ready for the President's signature.

About everyone agrees that the proper consideration of and action on a long-range constructive program for agriculture is overdue. For too long, we have been cobbling along with inadequate and outmoded devices that suit not the producer or the consumer. A quick freeze gimmick such as Senate Joint Resolution 162 will not ever become a law in my judgment but it is going to further strain the tolerance of our colleagues and alienate them from fair consideration of good proposals when offered.

My policy has been and will continue to that of willingness to work on a constructive basis with all who are interested; I cannot vote my approval for a proposal which will ultimately do much more harm than good even if we were to concede that it would become a law.

In conclusion, it has also been my belief that each segment of our farm economy should have the right within reasonable bounds to determine the kind of a program it believes best suited to its own needs—for example if the dairy-men want a self-help type of program and can agree on one, I would be willing to help them get it. We of the Corn Belt are stuck with a wholly unrealistic program which we wish to repeal; we want to inaugurate a whole new approach and if the livestock industry is to be salvaged, it must be done. We have such a proposal almost ready to present but along comes this gimmick which will continue our present program and preclude enactment of the proper one. This is a gloomy day for those of us who are really devoted to the well-being of agriculture.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. ABERNETHY], chairman of the Dairy Subcommittee.

Mr. ABERNETHY. Mr. Chairman and members of the committee, since the distinguished ranking minority member of our committee, the gentleman from Colorado [Mr. HILL], made mention of the fact that this was his first appearance here in ascending to that capacity, I would like to say, Mr. Chairman, that since I became a member of the Committee on Agriculture, it has been my pleasure to serve with 3 such ranking members from the Republican side. The immediate predecessor of the gentleman from Colorado [Mr. HILL], was our late colleague, August H. Andresen. We all know he left a very fine record in the House of Representatives, particularly for his efforts in behalf of the dairy farmers. He rendered most valuable service which will long be remembered. Immediately preceding him was the lovable Cliff Hope who after a long and successful career in the Congress retired to his home in Garden City, Kans. The honor and distinction of holding this important position has now descended to our friend from Colorado.

I have said it privately and I would like to now say for the record that a finer man never served on our committee than BILL HILL. He has rendered excellent service to agriculture and to the Nation as a whole. It is a genuine pleasure to serve with a man of his

character and ability and I am confident that as the leader of the minority members of the committee he will make a great contribution to the Nation's farmers.

He has already made a great contribution in building a better spirit of cooperation in our committee. I believe the committee is going to render a real service to agriculture this year.

Now, Mr. Chairman, I would not want our colleague to think that because I am saying these nice things about the gentleman from Colorado [Mr. HILL] that I agree with his position on this bill. I do not, however, question his sincerity.

Agriculture is in a very serious condition; it is in a declining economy and has been for 6 or 7 years. It is a seriously declining economy and there just seems to be no end to it. Not only is agriculture in that condition, but the whole country now seems to be plagued with such. As a result of that situation numerous programs have been recommended to the Congress by the President and by the Democratic leaders of the Congress in order to firm up business and industry and the country in general. However, until now, not a single recommendation has been submitted from either the executive or the legislative branch of our Government to do anything to check the decline in agriculture except the bill now before us. I do not believe that the Congress is going to leave agriculture untreated and in such a perilous condition while we express alarm and consider curative measures for all other segments of the Nation's economy.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield.

Mr. DIXON. Does the gentleman not recall the extension of Public Law 480?

Mr. ABERNETHY. Yes, I agree with the gentleman that we have Public Law 480, but it is nothing new and was not offered as a means of checking the current loss of farm income.

Mr. DIXON. Also—

Mr. ABERNETHY. Now, I cannot yield further; I have only 5 minutes.

I agree with the gentleman that we have given Mr. Benson Public Law 480. We have also given him everything else he has sought, reluctantly in some instances and without my vote in others. But the facts are that he has over his long period of service as Secretary of Agriculture received everything he has sought to carry out the campaign promise of his party to give farmers parity at the marketplace. His recommendations have not fulfilled the promise. Neither has his service. Until now, it has been an utter failure. There is one thing he has not been given. It is his most recent request to permit him to drop price supports to 60 percent of parity and make him lord and master over the destinies of all farmers. I do not believe the Congress will ever yield him or any other man such broad power and authority. The most conservative of the farmer organizations and the one which has supported him the most, the American Farm Bureau, is opposed to giving him that power. He stands alone and without support on this request.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to my distinguished chairman.

Mr. COOLEY. We have not yet extended Public Law 480; it has been pending before our committee and it will be considered very shortly.

Mr. DIXON. That was proposed by the President, also our utilization research measure.

Mr. ABERNETHY. There is nothing new about either of these proposals. They are old stuff. Farmers are in an extreme emergency now and I repeat that the administration has come forward with pump-priming programs for everything except agriculture. So far as the administration is concerned the declining farm income, the agricultural depression, stands unnoticed by the leaders of this administration.

Mr. DIXON. Also—

Mr. ABERNETHY. I cannot yield further. The gentleman is a very fine Member of this House and I would not want to be rude to him, but I cannot yield further.

We do not bring this bill to you as a cure-all of agriculture's ills. But we do say that we must hold the line, maintain the status quo and not permit a further decline. That is what our bill will do. We are only asking that you take the Secretary's program, his own price support levels, his own acreage allotments as applicable to the last crops and make them applicable to the next crops for the next year only.

If this bill is not passed, what will it mean? It means that agriculture must suffer a further decline, a further bleeding of its already limp body. It does not require Mr. Benson to raise prices over last year, not a dime; but it does say to him that he must peg prices and acreages at levels at least equal to the last pegging. It does not freeze either acreages or prices. The character of flexibility is left in the law, with current supports and acreages being fixed as the floor.

By the enactment of this bill we will be saying that we are not going to permit our farmers to have to take less this year than they took last year; that is all there is to it. It is just that simple. The objective is reasonable.

My assignment in this matter as chairman of the Dairy Subcommittee was to see to it that the dairy farmer did not have to take less this year than he took last year; that is all. There were 25 or 30 bills introduced and referred to my subcommittee which would either freeze or raise dairy price supports. Many of them were introduced by Republican Members, one by the gentleman from Michigan [Mr. BENTLEY], as I recall, who indicated a moment ago that he was against the pending bill which carries out his objective. All those bills provided that the farmers should not have to take less than they took last year. I believe the gentleman's bill provided that they should receive a little more, did it not?

Mr. BENTLEY. I appeared before the committee and testified in support of



the legislation but I did not personally introduce a bill.

Mr. ABERNETHY. Oh, all right. Then I stand corrected. But the gentlemen did seek time before the committee, made an appearance and testified in support of bills which would raise milk support from the current rate of \$3.25 per hundred to \$3.50 per hundred.

Mr. BENTLEY. I did not.

Mr. ABERNETHY. Well, the gentlemen has just said that he testified in support of the legislation so, to say the least, he favored the idea of holding the line and preventing Mr. Benson from breaking the price on April 1 under the current rate of \$3.25. So, the pending bill is exactly in keeping with his position before our subcommittee and I would anticipate that he will stand pat. That is what the gentleman committed himself to before the committee. As I said, many bills were introduced to hold the line. The gentleman from Wisconsin [Mr. LAIRD] introduced one of the bills, the gentleman from Washington [Mr. WESTLAND] introduced one, the gentleman from Iowa [Mr. TALLE], the gentleman from New York [Mr. WILLIAMS], the gentleman from Missouri [Mr. BROWN], the gentleman from New York [Mr. WHARTON], the gentlewoman from New York [Mrs. ST. GEORGE], the gentleman from South Dakota [Mr. McGOVERN], the gentleman from Kansas [Mr. REES] also introduced bills. The list is very long. I do not have them all before me.

Also the gentleman from Iowa [Mr. GROSS], the gentleman from Mississippi [Mr. WHITTEN], the gentleman from Mississippi [Mr. WINSTEAD], the gentleman from Washington [Mr. TOLLEFSON], the gentleman from Wisconsin [Mr. JOHNSON] who introduced the first bill and first conceived the idea of holding the line.

We are here now endeavoring to accommodate all of these Members. We just hope they will all pitch in, get in the fight and give us their full cooperation in fighting down the vigorous effort that will be made by the leadership on the Republican side to kill the bill. We are going to do our best to do exactly what all of the authors of the various bills want done and we will surely accomplish the desired result if all of them will help us.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman.

Mr. LAIRD. I have been receiving a lot of wires and correspondence from my dairy farmers in Wisconsin who seem to think we are putting the stamp of approval on \$3.25 for \$3.95 milk. There were quite a few complaints last year about that price.

Mr. ABERNETHY. There probably was, and Mr. Benson could have remedied that situation if he had only fixed the price at that level. I am sure the best we can do now is hold the line; and I am also sure that your farmers do not want \$3.02 milk which the Secretary's order will give them if permitted to go into effect on the first of next month.

Mr. LAIRD. I can assure the gentleman they will not want that.

Mr. ABERNETHY. I know they do not and we are fighting the battle now to prevent your farmers from having to take that price. We appreciate the help which the gentleman is giving us.

I sincerely urge upon all Members of the House that they support this bill and help us put a stop to the farm price decline. Help us, if you please, to hold the line.

(Mr. ABERNETHY asked and was given permission to revise and extend his remarks.)

Mr. HILL. Mr. Chairman, I yield 5 minutes to the gentleman from Maine [Mr. McINTIRE].

(Mr. McINTIRE asked and was given permission to revise and extend his remarks.)

Mr. McINTIRE. Mr. Chairman, I rise in opposition to this resolution now pending. I voted against it in committee and I shall vote against it here in the House.

It has been a great pleasure to me to work as a member of the House Committee on Agriculture; and, while I do not represent an area which is involved in the production of the so-called basic commodities, nevertheless we folks in New England are interested in agriculture and have a great deal at stake in agriculture. I appreciate that involved in this legislation is price-support level concerning dairying. However, this is a package bill and it involves other things, including feed grains.

I am not opposed to efforts on the part of the Government to effect some price stability as far as farm commodities are concerned. I have the pleasure of serving on the Tobacco Subcommittee of the Committee on Agriculture with the gentleman from Kentucky [Mr. WATTS], who was chairman of the subcommittee. He would testify, I am sure, that he would say I have worked with him in efforts toward a sound program for tobacco producers.

I approach the problem of agricultural legislation on the philosophy of trying to get the very best program that we can for each commodity involved. Within the framework of that philosophy, I find this resolution in complete contradiction to that position and in contradiction to the position taken by practically every Member of this House who has voted on farm legislation.

Those who have supported the principle of high-level supports or 90 percent have said repeatedly that they are in favor of those levels of support only because they are also in favor of the necessary production controls in order to make the program work. A vote for this legislation today is in contradiction of that position.

Those of us who have voted for variable support levels on commodities where there are mandatory supports, have said that we want to accept the principle that price supports will be varied somewhat up and down in relation to supply and demand factors. So, a vote for this resolution today is in direct contradiction to the position that we have taken.

I suppose that there are often times in which consistency is no virtue, and certainly a vote for this resolution today is proof of that fact. A vote for it will be inconsistent to a position taken by practically every one of us on previous farm legislation.

It has been mentioned that this resolution prevents jerking the floor out from under farm commodities. It does no such thing, as I see it, because there is no provision in this resolution to change existing law. We all know that existing law provides a very fixed range in which the Secretary can apply price supports on the basics. This resolution freezes the level of price on those where the Secretary has some discretion and where there are no vehicles of acreage management. I think all of those folks who come from nonfarm areas have been sincerely interested in price support legislation which is sound for the American farmer and equally equitable for the American consumer. In my opinion, this legislation does not meet that criterion. The farmers must go to the market with the quality and quantity of farm products necessary for our desirable high standard of living. This resolution is not sound farm legislation.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. McINTIRE. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Chairman, I should like to commend the gentleman for his statement. I wish to state my own opposition to this resolution.

Mr. Chairman, the lack of wisdom in the provisions of this resolution would be obvious to any but the most blind adherents of rigid price supports. The adverse effects of passing such a resolution are obvious and far-reaching. One of the most serious problems in the field of agriculture is the tremendous surplus of commodities which overhangs the market. By stimulating unneeded production these surpluses will continue to grow.

As the gentleman from Maine has just said, consistency may not always be a virtue. Nonetheless we should refuse to take any serious retrogressive step without good reason. Passage of this resolution would be such a step. In addition we would be ignoring completely the sound recommendations recently made by President Eisenhower regarding appropriate legislative action.

Too often in discussions of the farm problem, and what needs to be done, we overlook the consumer—and also the taxpayer. This resolution would affect both these groups directly and most adversely. Indeed it would hurt farmers also throughout the Nation, by delaying still longer the day when production and consumption can be brought into reasonable balance. Any resolution such as this, which harms many and which helps few if any, should be defeated.

(Mr. FRELINGHUYSEN asked and was given permission to revise and extend his remarks.)

Mr. POAGE. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. ANFUSO].



Mr. ANFUSO. Mr. Chairman, I rise in support of this legislation because it helps the farmers and does not—and I want to make this crystal clear—does not hurt the consumers. The Consumers Study Subcommittee, of which I have the honor of being chairman, in its report of 1957 stated that farm prices have declined 16 percent since 1952 while retail food prices have increased 1.3 percent. In other words, while farmers kept getting less and less for their product, the consumer kept paying a higher price. This is true of bread and is particularly true in the milk industry.

Let me prove this point. In 1952 milk was supported at 90 percent of parity and the average price of milk in grocery stores was 22.8 cents. In 1957, with the support reduced to 83 percent of parity, the retail price of milk had risen to 24.3 cents.

Now, who made the profits? It is obvious that the big milk companies did, and my subcommittee is making an investigation of the situation which permits farm income to go down and the consumer's price to go up, with big profits going to the big fellows.

According to our studies, the profits of the big three dairy companies, Borden's, National Dairy, and Beatrice Foods, have gone up 55 percent since 1952. The situation is best brought out by what has happened in my State of New York. Last fall I made a tour of the State and found that the farmers' plight in New York State was very serious. Everybody was complaining. The farmers were complaining that they were not getting enough, and the consumers were complaining that they were paying too much. This bill will help the farmers of New York State. It will help all of the farmers to the tune of \$250 million and not hurt the consumers at all.

Now, I would like to read to you some telegrams and letters which I have received. First of all I have a telegram here from the chairman of the great Democratic Party of New York State, Mr. Michael Pendergast, who is a farmer himself from upstate New York who states that farmers in New York have expressed strong support for freezing farm price supports at 1957 levels.

I have telegrams and letters here from Republicans upstate who want this bill passed. All the milk farmers I have talked with want this bill passed.

Now speaking generally on this bill, let me point out that in 1957 farm income sunk to a new low of \$641. This caused almost 2 million—1.8 million to be exact—people to leave the farms in 1 single year.

This has contributed to the unemployment situation because there are not that many city jobs to go around.

Finally, Mr. Chairman, I want to say this in all earnestness. I do not dislike Secretary Benson. As a matter of fact I like and respect him. He is a very pious and religious man, a man of convictions who would not intentionally hurt the farmer or the consumer. He could be mistaken and in this case I believe he is, but he is not the devil that some people, on both sides of the aisle, paint him to be.

We will come out of this recession and we will reduce the surpluses. Another thing our committee hopes to bring out this year is a food stamp by which we hope to distribute an additional billion dollars worth of surpluses through the States in distress areas to help the unemployment situation.

This is not a permanent measure we are adopting here but a temporary one. It will help the farmers. It will stop them from losing more money in the midst of a depression, and in the long run it will help America and the consumers.

This recession did not just start. It started four years ago with the farmers, and it is now hitting the towns and the cities because the purchasing power of the farmers, our best consumers, has been destroyed.

Mr. Chairman, you cannot ruin one segment of our population and expect to get prosperity in the other. This is the time when we must all help each other if this country is to prosper again.

For this reason I must appeal to the city people who have always been most magnanimous, to hold the line and not worsen the condition of our farmer friends.

Mr. BASS of New Hampshire. Mr. Chairman, will the gentleman yield?

Mr. ANFUSO. I yield to the gentleman.

Mr. BASS of New Hampshire. The gentleman represents a city district. Will the gentleman please tell me how this bill will help in any way the consumer and the unemployed person in his district, when he goes to buy his food?

Mr. ANFUSO. That is the most simple question I have had asked of me. I have been on this committee for the past 3 years. I studied farm legislation before that. Our committee has found that in the 10 years that farmers' income has gone down, not once did we consumers get any benefit from that.

Mr. BASS of New Hampshire. The gentleman has not answered my question.

Mr. ANFUSO. And, therefore, I do not intend to hurt the farmer in this legislation when I know positively that we consumers are not going to benefit by it. We are not going to be hurt by this temporary measure, and that is all it is, because we are going to come up with perfecting legislation within the year.

Mr. MATTHEWS. Mr. Chairman, will the gentleman yield?

Mr. ANFUSO. I yield.

Mr. MATTHEWS. Mr. Chairman, I want to congratulate the gentleman on the wonderful statement he is making. I should like to ask, is it not true because of Public Law 480 in which the gentleman is very much interested, literally thousands of the unemployed people can be fed?

Mr. ANFUSO. That is exactly right.

Mr. MATTHEWS. It is a wonderful program in which the gentleman is very much interested.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. ANFUSO. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. It is hard to follow the gentleman's logic. I just wonder whether he or the consumers whom he represents in Congress have reason to support a resolution of this kind. I also should like to know if he is going to answer the question posed by the gentleman from New Hampshire.

Mr. ANFUSO. I do not represent any farmers. All I represent is consumers. Of course I am vitally interested in the consumer. This joint resolution will help the consumer by increasing the purchasing power of the farmer. Later on I intend to bring out legislation which will be of further benefit to the consumers.

Mr. COOLEY. Mr. Chairman, I yield such time as she may desire to the gentlewoman from Minnesota [Mrs. KNUTSON].

Mrs. KNUTSON. Mr. Chairman, I rise to join those who have our national economy's interest at heart, to urge immediate affirmative action on this most important stopgap legislation, Senate Joint Resolution 162.

Yesterday I received a telegram from a farmer in my district with the stark warning:

Farm income is so low compared to costs it will be impossible for farmers to exist if price supports are dropped.

This, in few words, is the crux of our situation. We, who have foreseen the recession spreading from the root evil of the farm depression, have been voices crying in the wilderness ever since the administration's unrealistic and unsympathetic farm policies first went into action back in 1953. The situation is too dangerous to stop and take credit for simple, elementary ability to add 2 and 2 and get 4, economically speaking. The momentum of this tragic economic downrush must be slowed before it can be stopped and only measures such as Senate Joint Resolution 162 are powerful enough to accomplish this recession slowdown.

On February 22, Saturday, Washington's Birthday, I sent a letter to the President which I had received from a constituent. My correspondent had suggested that the entire community might benefit from a form of public works. He said it would provide work "for the many jobless here in our community and these poor farmers here would gladly get out and cut brush to help pay for groceries, etc. In turn it would help to get some money circulating which would help these small town businessmen. Believe me, they are just hanging on."

In a later press release, I said "The use of stopgap projects might slow down the progress of this depression and would at least give these people some earnings until permanent solutions are introduced. The administration seems to be newly aware that its tight-money, high-interest policies are feeding rather than fighting the inflationary pressures. In light of this new understanding of the economic facts of life, it is possible that the administration might also be receptive to suggestions of simple and reasonable stop-gap measures to help people during the present depression which has resulted from its own policies. Who



knows, the administration might even come to understand how disastrous its farm policies have been as well? Is it too much to hope that the administration could admit that these farm policies have been just as wrong-headed, now that they have found their mistaken credit policies, among others, have pushed our national economy to the brink of a major depression?"

Mr. Chairman, I have been asking myself—and all those who will listen to me—"What will be the end result of this current depression?" The reason why I have been doing this is that I have recently received information from two major executive departments. A March 11, 1958, release of the Department of Commerce brought out that, as of mid-February of this year, 5,200,000 Americans were unemployed out of a total labor force of 69,804,000. Any logical projection of these mid-February figures to mid-March would have it that more than 6 million Americans are now without jobs.

On March 14, 1958, I learned from the Department of Defense that the overall military numerical strength of this country consists of 2,614,003 men. It appears, therefore, that some 6 million unemployed and some 2,600,000 under arms—a total of more than 8,600,000 Americans who are not making direct contributions to our gross national product.

In a speech on the floor of the House on March 13, I referred to *Decline and Fall of the Roman Empire*, by Edward Gibbon. I did this to point up the need for bolstering the family farm as a means to prevent the downhill plunge of our economic toboggan—a toboggan which, at that time, was virtually without breaks.

At the risk of earning a reputation as a "Johnny-One-Note" Member, I again refer to Gibbon's monumental work. This time to a significant sentence in chapter V:

It has been calculated—

Wrote the 18th century British historian—

by the ablest politicians that no state, without being soon exhausted, can maintain above the hundredth part of its members in arms and idleness.

Some 6 percent of all Americans are unemployed. Some 2 percent plus are in the Armed Forces. This is well over the danger mark set by Gibbon.

Mr. Chairman, what more proof does the administration need that its farm policies—and much worse—the Secretary's price-support cut proposals, and the President's latest farm-policy fallacies, are disastrous, not only for our family farmers, but also for our entire national economy. Russia is breathlessly waiting for this country to go completely broke. Do we have to have 10 million people out of work? Six million people out of work means at least 18 million are in the depression all the way. The tradesmen who supply the food, clothing, and other necessities for these 18 million are in the depression all the way. The suppliers who supply the tradesmen who sell to the 18 million are in the depression all the way. Need I go

on? A friend of mine is in the typewriter business which is away down the line from the farmer in the forefront of this depression. My friend tells me the typewriter business is in the depression all the way.

Mr. Chairman, what proof is the administration waiting for? How can we reach the President in the White House, except by putting before him for his signature, this Senate Joint Resolution 162? Again, I urge immediate dispatch of this legislation to the White House for signature.

(Mrs. KNUTSON asked and was given permission to revise and extend her remarks.)

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Alabama [Mr. ELLIOTT].

Mr. ELLIOTT. Mr. Chairman, I support Senate Joint Resolution 162 which has for its purpose staying any reduction in support prices or acreage allotments until Congress can have time to work its will on the price-support and acreage-allotment laws.

The House Committee on Agriculture is now considering, as I understand it, a general agricultural law, which will, I am sure, deal with the questions of price-support and acreage-allotment laws.

All that the joint resolution now before us does is to make certain that Secretary of Agriculture Benson will not further reduce support prices or acreage allotments until the Committee on Agriculture has completed its work.

The depression of the 1930's is vividly stamped upon my memory. I saw its devastating effects, Mr. Chairman, on millions of American citizens. I felt the pinch of want, and the sting of despair that accompanied it throughout our land. I do not want this generation to experience a depression.

I recollect all too well that the depression of the 1930's started on the farms of America in the 1920's. The cries of farm people for relief swept into Washington from the Midwest. They came up from the South. Their voices were not heard. We saw that farm-born depression grow into the greatest economic upheaval of this generation.

Those in this Government who attempt to explain the present farm depression say that the farmer is doing better than he has done before. Truth is that were it not for some off-farm employment, the plight of the American farmer today would be greater than at any time since the early 1930's.

Other segments of the economy have built-in aids. There are loans for businessmen; up until a short time ago, there were tax writeoffs; there is the minimum wage; there are many others. The farmer must have some protection.

The philosophy of this administration to close out the small farmer, to plow him under, if you will, is based upon a false promise. Hundreds of thousands of small farmers in America want to continue to farm. Their roots are deep in the soil. For generations their folks have farmed. I am much interested in seeing that they continue to have an opportunity to farm and to earn a reasonable living while doing so.

What happens to a small farmer when he is driven from the farm? Where is he going to get a job? The figures show that unemployment is growing altogether too fast these days. It is already reaching alarming proportions. Committees and groups are making their way to Washington to confer with Members of Congress and with officials of the Government to give their suggestions as to what we could do to stop the growth of unemployment.

With all of this as a background, surely it is fair to the great farm segment of our population that we simply stay any reduction in support prices or acreage allotments until Congress can work its will on an agriculture bill. If no bill is forthcoming, then our farmers can rest assured that in the crop year 1958 the price supports of their farm commodities will not be cut and in the year 1959 their acreage allotments will not be cut. Such action is in keeping with other efforts which the Congress is making to fight this recession.

I hope the House will by large majority approve this bill.

(Mr. ELLIOTT asked and was given permission to revise and extend his remarks.)

Mr. HILL. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. TEAGUE].

Mr. TEAGUE of California. Mr. Chairman, I want it made a matter of record that I am one of the members on the Committee on Agriculture who voted against the resolution. I shall vote against it this afternoon.

I represent one of the largest agricultural districts in the United States of America. I consider this resolution to be bad for the farmers, for the consumers, and for the taxpayers, for the reasons which the gentleman from Maine [Mr. McINTYRE] so clearly stated a few moments ago.

[Mr. BASS of Tennessee addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Alabama [Mr. ROBERTS].

Mr. ROBERTS. Mr. Chairman, I rise in support of the resolution to provide that acreage allotments and price supports cannot be lower than those in effect in 1957. This is a vital matter and it strikes to the very heart of the drive we are now waging to fight back economic recession. I believe that history will bear me out when I state that depressed farm conditions are the forerunner of overall depression.

Congress is eminently correct in taking the initiative in fighting for the farmer. The administration and the Secretary of Agriculture have unquestionably demonstrated their indifference to the problem. The Eisenhower-Benson policy of sliding pledges encompasses a 1952 campaign promise of sustaining the 90 percent parity price support and it includes Secretary Benson's statement before the House Committee on Agriculture that he favors a price-support plan ranging from 90 percent down to no support at all. Most recently, President Eisenhower has urged that farm price supports be reduced to 60 percent.



Furthermore, Secretary Benson and President Eisenhower blithely have refused to acknowledge that their proposed reductions in acreage allotments will further complicate the farmer's woes. For instance, the proposed cotton acreage reduction will endanger an adequate supply of high quality United States cotton for domestic use and result in further loss of our foreign markets. Expert sources estimate we will fall short by 4½ million bales of fulfilling 1958 requirements for this cotton.

It is evident that Congress must be the one to hold the line for the farmers, to help maintain and increase their purchasing power during this time of economic crisis. If this is accomplished, the result will be felt in circles concentric to the farmer. The fertilizer people, the ginners, the seed people, the steel manufacturer, the railroads, all those people who supply and service the farm will feel the effects of our efforts if we are successful in preventing the reduction of support prices for farm commodities this year or the lowering of planting allotments for any crops next year.

We have given, and correctly so, our attention to unemployment in other fields. And yet there is question whether we should step in to stem the tide of unemployment on the farm. In the Fourth Alabama Congressional District, which I am proud to serve, we lost a third of our farmers during the past quarter century. In 1930, our district had 152,157 people living on about 29,000 farms; in 1955, our farm population was 100,000 with about 18,000 farms. And what happens to the thousands of farmers leaving the land? They have—or right now, in all too many cases—they are looking for other jobs, adding to the critical employment situation.

Let us not add to the existing crisis by driving farmers from the farm by reducing their livelihood. Let us press to see that the antirecession fight is waged at the farm level.

(Mr. ROBERTS asked and was given permission to revise and extend his remarks.)

Mr. HILL. Mr. Chairman, I yield 3 minutes to the gentleman from Utah [Mr. Dixon].

Mr. DIXON. Mr. Chairman, this resolution, in my opinion, is not a farm bill; it is a quick maneuver. Unfortunately, many fine statesmen on both sides of the aisle are going to vote for it because they are boxed in. They have no alternative. I wish that our committee could have taken a little more time and heard the committee reports, because I believe then we would have come out with something basic.

This measure is supposed to be the easy way out. We have been taking the easy way too many times and we find that the easy way is the hard way in the long run. Long staple cotton, for example, is finding that the easy way is the hard way. The very day we voted this resolution out, we had another resolution before the committee to reduce supports on long staple cotton down to 60 percent—60 percent. They do not want their crop priced out of the market.

They would far rather get out of Government control.

The committee quickly withdrew H. R. 11399 because it did not want to blow hot and cold at the same breath, to freeze price support prices in one bill (S. Res. 162) and then turn around and lower price supports on long staple cotton to 60 percent in the other.

Why do they want that? Because long staple people find they can do better by going clear down to 60 percent and being able to compete on the market and sell their cotton. That is as true as I stand here.

Why does the committee take tobacco out of this freeze? Because, like the long staple cotton people, they do not want it frozen; they want free acreage and free prices.

Those two things are all the evidence we need to show how phony this bill really is.

Yes, the idea was that the commodities that are not under the freeze order and under high support prices are those commodities that are doing fine, and the commodities that are getting the most Federal money are in the worst trouble. What are they? Wheat and cotton; and those two account, of course, for \$1,316 million of losses this last year. Those two commodities account for 48 percent of the losses of our support program, and they are in the worst trouble. Cattle receive no supports, yet they are selling at 5-year high. Hog growers receive no supports, yet prices are 20 to 22 cents. Rigid supports nearly ruined the potato industry. The industry is having one of its best years in history now that it has shaken off Government shackles.

Instead of giving \$350 million to help the two-fifths of the farmers in America, the large ones who are best off, it should be given to the 50 percent who produce only 9 percent of the commodities and would be helped very little by Senate Resolution 162. This is a case where the Swiss cheese has all the ventilation but the limburger needs it. This will not help much where its advocates assume it will help most. We ought to give this \$350 million to the gentleman from New York [Mr. ANFUSO], for his food stamp plan; that would really help the people who need it. It would provide the unemployed with food. They would eat up the price-depressing surpluses and save the farmers' markets. Senate Resolution 162 would ruin further these markets and put him in still worse position.

Mr. COOLEY. Mr. Chairman, I yield 4 minutes to the gentleman from Wisconsin [Mr. JOHNSON].

Mr. JOHNSON. Mr. Chairman, I support Senate Resolution 162 as amended to stay any reduction in support prices or acreage allotments for a year so that Congress can make appropriate changes in the price support and acreage allotment laws.

Because of the importance of this legislation to the economy of the State of Wisconsin and to other dairy States I am anxious to make known my support. I also wish to call to the attention of my colleagues from city areas figures which indicate that administration promises of price reductions in milk if the proposed

April 1 cut in dairy supports is put into effect probably will not be fulfilled for long if they take place at all.

Frankly I am not happy to be placed in the rather negative position of being against something. I would much rather be here in support of legislation which would be of positive value to farmers and other citizens. It is pretty difficult for a representative from a farm district who has always believed in full parity for farmers, and still does, to be actively engaged in defense of a fraction of full parity. Yet it is an accurate if sad reflection on the state of affairs of the Nation's farmers today to report that fighting for 82½ percent of parity for milk with an administration that has asked for power to lower it to 60 percent of parity is the only realistic approach.

As farm prices have been progressively battered down from year to year, food chains and processors have fared better and better.

Late last year the Secretary of Agriculture announced plans to cut dairy price supports to 75 percent of parity and it has been estimated that the cut will reduce dairy farm incomes by from \$200 million to \$250 million. In my own State of Wisconsin the cut would take from \$40 million to \$48 million in income from dairy farmers. Also, it is estimated that this cut which will cost the dairy farmers \$250 million might save the Commodity Credit Corporation about \$15 million in money expended for purchases of dairy products. I know of no easier way to get \$250 million in purchasing power than by spending this extra \$15 million to raise the income of our dairy farmers.

While the Nation's dairy farmers have been engaged in a desperate struggle to hold the line against that cut, the value of shares of stock in dairy products processing firms has increased by 20.4 percent, according to the U. S. News & World Report for March 21, 1958.

Similar increases in stock value between late 1957 and mid-March 1958 were reported for other food processors and chains as follows by that magazine: Meat packing, 22.6 percent; biscuit bakers, 22.3 percent; food chains, 21.8 percent; and packaged foods, 21.7 percent.

The magazine explains this popularity of processors' stock by reporting:

In recessions, food companies fare better than most other industries because food budgets are the last to suffer when family incomes shrink.

The Agriculture Department supports its proposed dairy slash with an appeal to the consumer intimating that lower prices will result. I believe that reduction in prices to consumers and in the total production of milk will not accrue and be maintained if the proposed cut goes into effect.

I also strongly believe that the reduction of farmer purchasing power such a cut would bring would be a further crippling blow to dairy farmers and the rural communities and urban industries which rely upon their trade.

If the Secretary of Agriculture would take a close look at the figures from his own department he would discover that



history does not bear out the supposition that reduced retail prices for fluid milk will result from a reduction in manufacturing milk and butterfat price support levels.

If he had checked, he would have found out that when he reduced the support level from 90 percent to 75 percent of parity in April 1954, the retail price in that month was 22.5 cents per quart, as compared to 23.3 cents for the March preceding and to note that this reduction was largely seasonal. By December 1954, retail prices had climbed to 23.4 cents per quart, higher than they were before the 59 cents per hundredweight reduction was made in support prices.

No changes were made in support prices until they were raised to \$3.25 per hundredweight on April 1, 1956, an increase of 10 cents per hundredweight. During 1955, when price supports were unchanged, retail prices averaged 23.1 cents per quart, one-tenth cent higher than the preceding year. In 1956, retail prices averaged 24.1 cents per quart—a cent higher—or roughly 46 cents per hundredweight higher, with only a 10-cent increase per hundredweight in the support price for 9 months of the year. During 1957, retail prices averaged about 24.5 cents per quart, with no change in price supports. Thus we see that changes in price support levels for manufacturing milk are not automatically followed by like changes in the retail price of milk in the cities.

As far as the reduction in manufacturing milk and butterfat support levels announced for April 1 is concerned, I think it is quite improbable that any reduction in retail prices would result.

But I am especially disturbed that remarks the Secretary of Agriculture has been making, apparently designed to attract the support of city residents for his reduction in the dairy support price level, cannot be sustained by demonstrable facts. Such remarks, unsupported by facts, do serious harm to the dairy industry as a whole and to dairy farmers in particular.

Farmers are consumers, too, the Secretary should be told. Would that they could share in some of the attention he devotes to city residents as consumers. There is an increasing amount of mail to my office from chambers of commerce, businessmen, and bankers in rural America testifying to the fact that what hurts the farmer hurts them. Why? Because the farmer as a consumer has not been buying as much in the last few years as he did previously. There is an interdependence of the city worker and the rural American in small towns and on the farms which cannot be escaped. When one segment is weakened economically, the other will sooner or later be adversely affected.

It is interesting to note that stocks on hand are not cited by the Department of Agriculture as one of the reasons for the impending cut. This should be brought out, however, because it shows that the Department has been steadily increasing its ability to move the surplus. The fact of the matter is that the Commodity Credit Corporation owned or had under contract to pur-

chase more dairy products on April 30, 1956, the month dairy price supports were last increased, than on November 30, 1957, the eve of Secretary of Agriculture Benson's announcement that the support price would be reduced April 1, 1958.

*Commodity Credit Corporation inventories*  
(In pounds)

	Apr. 30, 1956 (last parity increase)	Nov. 30, 1957 (before parity cut)
Butter oil.....	9,431,498	83,882,640
Butter.....	74,962,408	246,881,307
Cheese.....	286,556,658	157,164,525
Dried milk.....	178,524,100	
Under contract to purchase:		
Butter.....	14,777,127	2,460,364
Cheese.....	13,048,303	10,683,168
Dried milk.....	97,673,900	66,272,141

There is not much chance that our disposition outlets for this year will be less than last year. And it is readily apparent that if unemployment continues to grow there may be further need for larger quantities to be used in relief channels in this country.

There is not the slightest doubt in my mind that the cut in supports, if carried through, will serve as a cruel stimulant to greater production instead of providing less incentive to excessive production as the Secretary declares. Scores of letters from dairy farmers and plant managers in Wisconsin and the Midwest bear me out in this statement. Farmers' overhead costs must be met. I am personally convinced that the Government may pay out as much in increased purchases as it saves in support cuts if this action is carried out. Not shown is the dreadful human cost in longer hours worked, fewer necessities purchased, and reduced land and building maintenance this cut will bring to the dairy farmer.

I support this resolution which affects commodities in addition to dairy products because I recognize the fact that the interests of other farmers are interrelated with those of the dairy farmer. Both as producers of food and fiber, and as consumers of manufactured goods, the Nation's farmers are much more important than the 12 percent of the population they are numerically. It is high time that farmers looked beyond the limits of their own commodity group to discover and attempt to understand the goals of others close to the soil.

There have been repeated attempts to divorce the dairy farmer from the across-the-board freeze resolution we are considering here today. I am more than a little puzzled by the logic involved.

I am happy to support an across-the-board freeze which includes farm commodities in addition to dairy products. Dairying has the best chance of favorable attention as part of an overall bill. The Administration has already shown what it would do to a separate dairy freeze through its failure to rescind the cut ordered last December.

(Mr. CHRISTOPHER asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. CHRISTOPHER. Mr. Chairman, this resolution should pass the House without a dissenting vote. Those Rep-

resentatives from agricultural districts should support this resolution because its adoption will prevent Ezra T. Benson from going further with his program of destroying family-type agriculture in the United States.

Those from the urban sections should support this measure because it will help to keep the farmers who are yet on the farm from being forced off the farms and into the cities. The cities now have 5 million more workers than they have employment for and are in no condition to absorb an additional influx of farm people that will be driven to them if Benson's shortsighted farm policies are not checked.

The present recession is the direct result of lowering the buying power of the American farmer. The farmer produces more than 60 percent of all the new wealth in the United States each year, and at present is receiving only 80 percent of parity for his products.

Remember that parity means simply equality of purchasing power. Remember also that the farmer uses more steel than the automobile and truck manufacturers, more petroleum products than all the railroads, and more rubber than the Army, Navy, and Air Force. But in order to remain so good a customer of labor and industry they must have this equality of purchasing power or they will be forced to drastically curtail their purchases.

Since 1952, the farmer has been underpaid an average of \$6 billion gross each year for his food and fiber, and because every dollar paid for food and fiber and other raw materials is translated into \$8 of national product, it becomes evident that the national product over the 5-year period beginning in 1952 would have been \$240 billion greater had the farmers received a parity price for the raw materials he produced.

The \$30 billion underpayment to agriculture during the past 5 years is the direct cause of the present recession. That \$30 billion can never be restored to agriculture. Neither can the \$240 billion loss to the national economy be restored. The Federal Treasury over that same 5 years lost 18 percent of the \$240 billion and that can never be restored either.

So it is apparent that under the Eisenhower-Benson regime for agriculture, the farmer loses, the national economy loses, the Federal Treasury loses, and the cost of living goes ever up and up.

All this resolution will do is to peg price supports and acreage allotments for 1958 where they were in 1957. The American farmer will still have to suffer another loss of \$6 billion during 1958, but this resolution will prevent Benson from making that loss \$1.5 billion greater.

An amendment will no doubt be offered to strike everything out of this resolution except dairy products. That amendment should be defeated. That is an old technique of dividing agriculture into opposing segments on a commodity by commodity basis.

When agriculture is prostrate, labor is unemployed, bankruptcies and business failures rise—then recessions become depressions. Let us pass this resolution



today and then bend every energy to the task of raising farm prices to 100 percent of parity because only by so doing can we provide incomes and homes for our continually expanding population.

Mr. Chairman, the American farmer is being bankrupted. As a class, he is not lolling in the lap of luxury. Recently the Farmers Union conducted an extensive survey in the States of Wisconsin, Minnesota, the Dakotas, and Montana. Wisconsin, the greatest dairy State in the Union, with 180,000 farm homes, reports the Department of Agriculture. Farmers Union survey of those homes indicated according to the February 1958 issue that 55,800 of these homes do not have bathtubs, 55,800 do not have TV, 41,200 do not have telephones, 54,000 do not have inside toilets, 88,200 do not have furnaces, 44,200 do not have running water, and 79,200 do not have deep freezers.

What a tremendous unsatisfied demand for the products of labor and industry right there in that great dairy State. Do you gentlemen from Wisconsin believe that the way to put these conveniences in these farm homes is to further reduce the price of milk? Do you believe that the Eisenhower-Benson recommendation to lower dairy support to 75 percent and eventually on down to 60 percent will put more bathtubs, telephones, running water, and furnaces in Wisconsin homes?

In closing let me remind my friends from the big cities that lower farm prices under Eisenhower and Benson has meant higher food prices for you, and also remind you that when you cut the farmer's throat you cut your own.

Mr. HILL. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. HOEVEN].

(Mr. HOEVEN asked and was given permission to revise and extend his remarks.)

Mr. HOEVEN. Mr. Chairman, I certainly am not happy at the turn of events which brings this resolution to our attention at this time.

I am one of those who sincerely feels that an omnibus bill approach is the only answer to our problem. It was my understanding, and I think there was committee agreement, that all matters relating to price supports should be considered in one omnibus bill. Hence the reporting of this resolution is rather a breach of that agreement, to say the least.

What happened in the Committee on Agriculture in reporting out the resolution is beside the point. Let me emphasize, however, that the original resolution as it came to the House Committee from the Senate did not even provide for a termination date. In fact, the Senate Resolution provided for a stay on any reduction in support prices or acreage allotments until Congress could make appropriate changes in the price support and acreage allotment loss. This might be for several weeks, months, years, or even forever. The Republican members of the House Committee on Agriculture insisted that a fixed termination date be incorporated in the resolution and, as a net result of our efforts, the legislation

before you is now limited to 1 year as far as price supports are concerned and to 2 years as far as acreage allotments are concerned. It is the best we could do under the most adverse and trying circumstances. Perhaps we may have the credit of having won a dubious moral victory. After the original resolution passed the Senate only a few days ago, newspaper accounts quote Senator ELLENDER, Chairman of the Senate Committee on Agriculture and Forestry, as saying that the resolution would likely be vetoed by the President of the United States. This clearly shows that political expediency was the main consideration in rushing the resolution through the Senate. The same applies to the situation as it presents itself in our consideration of the legislation today. No hearings were held on the resolution in the Senate. No hearings were held by the House Committee on Agriculture. The whole procedure reminds one of the early days of the New Deal when legislation was rushed through Congress without bills even being printed.

To show you how moot this question really is, please remember that even if the resolution is vetoed and the veto sustained, we will only revert back to the present law pertaining to price supports. If the resolution fails, the Secretary can still operate under the flexible processes of the law by fixing price support from 75 to 90 percent of parity. Thus the failure of the resolution in the last analysis will take nothing away nor add anything to the authority the Secretary already has in this regard. All the resolution will do is to freeze the price supports at the 1957 level as already established and fixed by the Secretary of Agriculture under the present law. If the resolution does not become law, the Secretary can still lower or raise price supports between 75 and 90 percent of parity as heretofore. He can even raise price supports over and above the figure fixed for 1957 up to 90 percent of parity if in his discretion he decides to do so.

I assume the House will approve the resolution now before us. Thereafter, the resolution will go to conference where the House limitation amendment will very probably be accepted. After approval of the conference report in both Houses, the resolution will go to the White House and, unless I am entirely mistaken, a prompt veto will be forthcoming. In view of the fact that the Senate acted first on the resolution, the Senate will act first in overriding the veto. Judging from the record vote on the passage of the original resolution in the Senate, a veto cannot be overridden and, hence, will be sustained. I doubt very much if our Democratic friends will shed many tears if that happens.

I think that those of us from agricultural districts should stop, look, and listen. The way this legislation is being rushed through Congress may well spell the doom to general farm legislation dealing with price supports and acreage allotments of any kind at this session of the Congress. This may be the only opportunity we will have to vote on a general farm bill this year.

Regardless of the political implications involved, there is some justification for voting for the resolution. We all know that the farmer is in a tight price-cost squeeze. He has nothing to say about fixing the price of the products which he offers for sale in the market place. Still he has to pay sky-high prices for everything he has to buy. The so-called recession is affecting him just as much as the other segments of our economy.

To combat the so-called recession, we are falling all over ourselves stepping up programs involving the expenditure of large sums of money in order to put people to work. We are setting up crash programs for a new and expanded highway system, we are rushing public works programs for more hospitals, Federal buildings, flood control, and other items which are all to the good. Soon we will have legislation to increase unemployment benefits and to extend the period for unemployment benefit payments. We are stepping up programs for housing, both public and private, and are reducing interest rates for borrowers. In short, we will have increased programs and increased spending for every segment of our economy except agriculture. It looks as if the American farmer is the fellow who is going to be left holding the sack.

When all is said and done, agriculture is still the Nation's basic industry. Every segment of our economy depends upon the welfare and prosperity of the American farmer. Whenever his purchasing power declines, it has its immediate effect in every hamlet, village, town and city in America.

I deeply regret the fact that the American farmer, through the medium of the resolution now before us, is once more the victim of political maneuvering. In my judgment, the farm problem will never be solved as long as agriculture remains a political football.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from South Dakota [Mr. McGOVERN].

Mr. McGOVERN. Mr. Chairman, the predicament of the farmer has been amply documented here on the floor of the House many times, and I am not going to labor that point any further. But we are now being reminded that a farm depression has consequences that run far beyond the farm homes of the United States. At this moment more than 5 million Americans are unemployed. Is it not reasonable to assume that a major factor behind this unemployment is the falling purchasing power of millions of farm families? It seems to me, as the gentleman from North Dakota, my sister State, pointed out here a few minutes ago, this is a lesson that should have been learned during the 1920's. For 8 years, at least, prior to the crash in 1929 the farmers of this Nation were caught in a severe economic pinch. Many people ignored the plight of agriculture in the decade of the twenties because of the prosperity that the rest of the economy was enjoying. But the loss of purchasing power in rural America took its toll as a major contribution to the disastrous collapse of our economy in 1929.



as one for industry alone. It is true that most of these unemployed were a few months ago working in factories in our big cities, but the immediate cause of much of this unemployment—now reflected in a slowdown of sales of industrial goods—lies, first, in the lack of farm buying power, then the lack of buying power in the hands of the unemployed themselves. The thing snowballs and becomes more serious with each lay-off of workers. But where did these workers come from? They are in large part the very people who have so often been characterized as the "inefficient." In truth, they were just small farmers—the kind who built this Nation. Just last week the Department of Agriculture released figures to show that within the past 10 years there has been a reduction of 30 percent in the number of farm workers in this country. Just 10 years ago last month we had 7,678,000 persons employed on our farms. In February 1958 we had 5,439,000 persons working on farms. This decline in farm employment is equal to approximately 40 percent of the total unemployment now reported in the United States.

Of course, I understand that the reported figures are for nonfarm workers, but the catch is that many of these people who have been literally driven from their farms by the harsh whip of low prices have moved to town. They have become a part of the industrial labor force and now when that labor force is cut back the statistics do not show whether or not the man now out of a job was recently driven from the farm by continued low prices for his products. But regardless of where these unemployed lived 6 or 8 years ago, the fact that farm jobs have disappeared now means that there are around 2 million more industrial workers looking for jobs than would be the case if these people were still on the farm.

Many of us have not wanted to look at the farm picture too carefully. Many of us have thought we didn't have to look at the farm picture; that we could sweep it under the rug; but beginning right now I have a feeling that many of our citizens who have nothing but time on their hands will be looking at this farm picture and will be wondering why our Government has not tried to keep as many farmers on the farm as possible. Of course, Congress has tried to do that very thing, although in this effort it has not had the entire support of everyone else, either in or out of the Government.

The fact remains that farm prices have moved steadily downward and it is clear that farm prices are not now sufficient to maintain the degree of farm buying power needed to keep our industry healthy. It is undisputed that farm prices have been so low that this year alone 2 million farm people left the farms for the cities of the United States. Many of our people are just beginning to understand that this is hurting everybody.

The bill before us today will not increase farm buying power; it will not raise farm prices; it will not increase the volume of production. It will, however, keep the farmer from slipping a

little further down the ladder of despair into the mire of the bankruptcy court. It will simply hold the supports on farm commodities as high as they were in 1957. No support price is raised; no acreage allotment is increased. This bill does nothing more than say that we are going to put a scotch behind farm income or at least behind farm-price supports and acreage allotments and see that they are not further decreased.

What does all this mean in the language of the industrial worker? It simply means that we are not going to cut the farmer's wages any further. It does not give the farmer any greater wage per hour and it does not give him an opportunity to get paid for any more hours of work per week. It just maintains his present unfortunate and unsatisfactory condition. Again, trying to explain this farm situation in industrial terms, we can say that cotton and wheat farmers are, through acreage controls, already reduced to a 3½-day workweek—at least that is all they can get paid for. Of course, they must still put in 6 or even 7 days per week but since their acreage has been reduced by a full one-third they find their total pay reduced just as does the worker whose workweek has been reduced. Some of those who are working in American factories are now having to take comparable cuts in their hours of work, but how would that industrial worker feel if in addition to losing a day and two-thirds out of each 5-day week his hourly wage were set at 80 percent of the figure that had previously been agreed on as a fair wage? That is what has happened to those farmers.

Parity comes as near to measuring fair prices for farm products as any formula yet devised. It averaged just over 80 percent for all farm products last year. That is four-fifths of a fair price on the production of about two-thirds of the farmers' normal acres, or four-fifths of a fair wage for two-thirds of the week. Most industrial workers would strike before they would accept such an agreement. Yet, we as spokesmen for the farmers are coming today only asking that you maintain—not improve—this utterly inadequate arrangement for the farmers of America.

I personally feel that we should ask for more. I hope that before this session is over that our Committee on Agriculture gives this House an opportunity to vote for more—to vote for a real increase in farm purchasing power—but right now we are trying to keep for the farmer the thin crust of bread which he still has. If this bill should fail he will lose even that. If this bill is not passed, farmers are going to receive considerably less. If the bill is passed, all you do is to give the dairy producer 83 percent of a fair wage for the next year; you assure the cotton producer 78 percent of a fair wage; you guarantee the wheat farmer 79 percent of a fair wage; and remember that you are only going to enable most farmers to be paid at even these utterly inadequate wages for a part of the week. If this bill is not passed, next year cotton acreage will be less than half of

normal—in other words, cotton farmers will have lost more than half of their workweek and will be paid at only four-fifths of a fair hourly wage for the other half. Incidentally, even now, the average labor return to the Wisconsin dairy operator is only 38 cents per hour—why should we be surprised that our economy is failing?

Now, just a word to those who are so prone to say that any maintenance of farm prices is hurtful to the consumers. This bill will prevent a drop of something like 22 cents a bushel in the price of wheat. Now before someone shouts that this is going to raise the price of bread, let us look at the record. In 1948 wheat sold as high as \$3 a bushel. Bread sold at an average of 13 cents a pound across the United States. The price of wheat came down, not up, so that 10 years later wheat was selling, and is now selling, in the United States at approximately \$2 per bushel—one-third less than it brought 10 years ago. Has the price on bread gone down? It has not. On the contrary, the average price of bread throughout the United States is today almost 19 cents per pound, actually 18.8 cents. In other words, bread has gone up by almost exactly the same percentage that wheat has gone down. A similar situation exists as to milk. In 1952 with milk firmly supported at 90 percent of parity the consumer paid an average of 22.8 cents per quart at the grocery store. Today with milk supported at only 83 percent of parity and scheduled to go still lower the average price to the consumer is 24.3 cents per quart.

It may be that if we can save the consumer from this proposed drop in the price of wheat and of milk that he will be spared that 20-cent loaf of bread and the 30-cent quart of milk which are fast approaching with our declining price of wheat and milk. Say if you want to that all of this is unreasonable, but it is a fact nevertheless, and it is verified by the figures of the present Department of Agriculture and the present Bureau of Labor Statistics.

Mr. Chairman, I cannot say that this stopgap measure will restore farm buying power. It will not, but I can say with complete confidence that it will at least help a faltering economy while it needs help. It certainly does not do the job which I know needs to be done. We in the Congress have in the past tried to do a far more comprehensive job. We have passed bills to hold farm purchasing power substantially higher. I feel that had those bills been allowed to become law that our entire economic picture would have been brighter today. But our Constitution gives to another branch of Government the power to review our legislative acts.

I, of course, have no way of knowing what will happen to this bill after it leaves this House, but I have felt that with the bipartisan support which it has received thus far, that it has at least, a real chance of becoming law. Certainly, no measure establishing higher supports could expect to become law at this time. I am personally for a substantially higher level of farm income,



but I always felt that I would rather get part of something for my people than to present them with all of nothing. I hope a little later on we may get consideration of a more comprehensive bill, but just now to pass anything doing more than to maintain the status quo would only secure all of nothing for our farmers.

The defeat of this bill would be even worse. It would allow us to sink still further into the blackness of despair.

The passage of this bill, on the other hand, offers at least a chance for a part of something. I sincerely trust that the House will give us that chance.

Mr. ANFUSO. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from New York.

Mr. ANFUSO. Did not the last depression start in the Farm Belt?

Mr. POAGE. Certainly it did. That is what I have been saying. It started on the farm, and this one has clearly started on the farm.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. POAGE. Mr. Chairman, I yield myself an additional 5 minutes.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The gentleman from Texas during the 20 years I have been a Member of Congress has, in my opinion, been always right on the agricultural question, and I want to say that also, with reference to the gentleman from Iowa [Mr. JENSEN], who spoke immediately ahead of the gentleman from Texas [Mr. POAGE].

It seems peculiar to me, Mr. Chairman, that the House of Representatives at any time would follow the lead of a man such as the Secretary of Agriculture, who has not been in the agricultural picture as far as Congress is concerned for more than 5 years, when we have gentlemen like the gentleman from Texas [Mr. POAGE], and the gentleman from Iowa [Mr. JENSEN], who have proven themselves right in the last 20 years so far as agriculture is concerned.

Mr. POAGE. I appreciate the remarks of the gentleman from Minnesota who has done so much for agriculture himself.

Mr. HILL. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. BEAMER].

(Mr. BEAMER asked and was given permission to revise and extend his remarks.)

Mr. BEAMER. Mr. Chairman, the farm problem is everybody's problem.

If you are a farmer, it affects your income and your freedom. If you are a consumer, the amount and price of your food will be affected. If you pay taxes—and everybody pays taxes in some form—the size of your tax bill will be affected.

Thus, at the outset the background of this legislation should be considered. The Bureau of the Census reports that there are 4.8 million farms in the United States; 2.1 million of these farms sell over \$2,500 worth of farm products each year. Practically all are family farms and they get most of the Government aid, but, in the long run, they may have been hurt more than helped by the farm legislation of the past. Two million seven hundred thousand farms sell less than \$2,500 worth of farm products per year. Actually, in this last group, some 900,000 merely live in the country and 600,000 farm only part time and work at other jobs in the city.

Of these two groups, the first one, or the farms with the larger incomes, raise 90 percent of all United States farm products; and the second group produces only 10 percent. This smaller group, or this large group of small producers, really receives little aid from the price-support program. In fact, it may average only approximately \$100 per farm. That really is a false encouragement because all farmers need and want new income for their products and for their labor instead of Government hand-outs.

Undoubtedly, everybody knows why we have such a large surplus of agricultural products. On account of the requirements of World War II, Congress guaranteed farmers high price supports as a production incentive and the farmers responded with the greatest output per man in farm history. As a result, production soared and Congress continued to encourage this great production with more price supports. As production soared, the stock of Government-owned surpluses mounted until it reached a total of more than \$8 billion in the Commodity Credit Corporation in 1955. The Government has been able to dispose of more than \$12 billion in surplus farm products in various ways since 1953, but even so, today it still owns about \$7 billion worth.

What has been the result?

First. While trying to prop up farm prices, these same laws have created these huge surpluses that actually have depressed farm income \$2 billion per year.

Second. Some \$15 billion has been spent on these programs—\$3.3 billion last year—and all of this is costing tax-

payers \$1 million per day for storage purposes only.

Third. The Government, under present laws, must spend billions of dollars to sell and give away surpluses and, as surplus goes down, price supports go up, encouraging surpluses to build up again. Thus, a vicious cycle has been imposed on the farmer and it was not done by his choosing. Without a doubt, these facts account for the hundreds of letters that come to me from farmers in the Indiana 5th District—and these folks know that I, too, am a farmer.

Mr. Chairman, I was amazed at the action of the Senate last week as they passed Senate Joint Resolution 162, which said in effect that the price support and acreage allotment for the foreseeable future shall not be less than those prevailing in 1957. Even though the Committee on Agriculture of the House has slightly modified this proposal, in principle it is still failing to meet the needs of agriculture. I must say quite frankly that it is hard for me to understand this action in light of the background outlined and, also, of some of the facts that are available to all of those who are willing to consider them.

For some 25 years we have been attempting, through price support and adjustment programs, to control agricultural production—and it has been said over and over again—in order to increase the income to farmers. As a matter of fact, the price support and adjustment programs have had very little to do with the net income of farm families, since most of the prosperity in agriculture since 1940 can be directly attributed to war.

During this critical period in our budgetary and fiscal affairs we need to remind ourselves about the cost of these programs that have failed so miserably. I wish to insert into the record at this point figures released by the United States Department of Agriculture dealing with the cost of this program. This is in considerable detail, commodity by commodity and year by year, but I think it is necessary for the Members of Congress to have these facts available. In placing this information into the record, it is not my intention to be critical of the operations of these programs, because I feel certain that no Secretary of Agriculture can administer the hodge-podge of laws that the Congress has been able to enact during the last 25 years.

I also would ask the Congress to consider the effects with regard to the cost of the program in the light of how we can benefit from the experiences during the last quarter of a century in helping to devise more workable programs.



*Department of Agriculture—Realized cost of programs primarily for stabilization of farm prices and income, fiscal years 1932-57*

[The basis for the costs reflected in this table is as follows: (1) For activities financed from appropriated funds, the expenditures less receipts arising from the activities so financed; and (2) for Commodity Credit Corporation and Federal Crop Insurance Corporation corporate funds, the net gains or losses from operations and the interest cost to Treasury on Government-subscribed capital. Interest cost to Treasury on Government-subscribed capital of corporations has been computed on the basis of the average rate incurred by Treasury on the public debt in each of these years]

[In millions]

	Total	1932-36	1937	1938	1939	1940	1941	1942	1943	1944	1945
Programs primarily for stabilization of farm prices and income:											
CCC nonrecourse loans, purchase, and payment programs.....	\$4,603.0	\$8.7	\$5.3	\$0.4	\$4.6	\$7.4	\$34.0	<sup>1</sup> \$69.1	<sup>1</sup> \$49.9	<sup>1</sup> \$5.9	\$29.4
CCC supply, commodity export, and other activities.....	15.4							<sup>1</sup> 1.1	2.0	<sup>1</sup> 12.4	5.8
CCC administrative and other general costs.....	991.9	10.2	3.9	2.1	<sup>1</sup> 3.0	8.7	2.2	<sup>1</sup> 9.6	12.1	10.4	26.1
National Wool Act program.....	63.5										
International Wheat Agreement <sup>2</sup> .....	899.2										
Donations of commodities to other nations <sup>2</sup> .....	384.3										
Commodities sold for foreign currencies under title I, Public Law 480 <sup>2,4</sup> .....	931.6										
Development of foreign agricultural markets under title I, Public Law 480 <sup>5</sup> .....	2.6										
Removal of surplus agricultural commodities <sup>6</sup> .....	2,154.3	32.2	35.2	35.2	211.6	143.9	226.1	196.3	112.0	63.4	24.9
Sugar Act.....	<sup>1</sup> 373.6			<sup>1</sup> 27.2	<sup>1</sup> 6.5	<sup>1</sup> 25.2	<sup>1</sup> 30.0	<sup>1</sup> 33.0	<sup>1</sup> 8.8	<sup>1</sup> 22.5	<sup>1</sup> 33.1
Federal crop insurance.....	203.7				4.4	7.7	9.8	14.8	14.6	18.1	2.9
Soil Bank, acreage reserve program.....	518.3										
Acreage allotment payments under the Agricultural conservation program.....	2,354.8		313.6	217.4	350.7	380.2	326.7	332.5	218.1	193.1	
Other, including Agricultural Adjustment Act of 1933, parity payments, and other adjustment and surplus-removal programs <sup>7</sup> .....	2,260.1	921.7	84.4	.3	27.6	223.8	195.7	202.1	203.7	156.9	<sup>1</sup> 6.1
Total.....	15,009.1	972.8	442.4	228.2	589.4	746.5	764.5	633.9	511.8	401.1	49.9

	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957
Programs primarily for stabilization of farm prices and income:												
CCC nonrecourse loans, purchase, and payment programs.....	<sup>1</sup> \$30.1	\$71.9	\$125.4	\$254.7	\$249.2	\$345.6	\$67.4	\$61.1	\$419.5	\$799.1	\$974.8	\$1,299.5
CCC supply, commodity export, and other activities.....	<sup>1</sup> 35.9	<sup>1</sup> 242.7	<sup>1</sup> 38.4	<sup>1</sup> 4.7	<sup>1</sup> 2.7	1.6	1.3	6.4	66.0	50.1	70.0	149.1
CCC administrative and other general costs.....	33.2	13.9	<sup>1</sup> 6.5	15.9	48.1	42.0	34.6	55.3	102.7	81.9	195.5	312.2
National Wool Act program.....										<sup>2</sup>	2.0	61.3
International Wheat Agreement <sup>2,3</sup> .....					75.6	180.4	171.3	130.8	59.0	99.7	92.3	90.1
Donations of commodities to other nations <sup>2</sup> .....									74.4	91.4	93.6	124.9
Commodities sold for foreign currencies under title I, Public Law 480 <sup>2,4</sup> .....										129.5	304.9	497.2
Development of foreign agricultural markets under title I, Public Law 480 <sup>5</sup> .....											.6	2.0
Removal of surplus agricultural commodities <sup>6</sup> .....	19.2	78.4	51.2	75.6	96.6	46.0	37.5	82.3	177.6	58.9	179.1	171.1
Sugar Act.....	<sup>1</sup> 5.4	<sup>1</sup> 7.8	<sup>1</sup> 13.1	23.9	<sup>1</sup> 14.7	<sup>1</sup> 14.9	<sup>1</sup> 21.8	<sup>1</sup> 20.5	<sup>1</sup> 11.9	<sup>1</sup> 13.0	<sup>1</sup> 22.3	26.0
Federal crop insurance.....	21.5	36.9	<sup>1</sup> 1.8	.4	9.6	4.6	8.7	6.4	9.9	11.2	11.6	13.2
Soil Bank, acreage reserve program.....											3.6	514.7
Acreage allotment payments under the Agricultural conservation program.....	22.5											
Other, including Agricultural Adjustment Act of 1933, parity payments, and other adjustment and surplus-removal programs <sup>7</sup> .....	<sup>1</sup> 1.5	<sup>1</sup> 2.2		10.8	24.9	18.8	7.1	7.6	67.1	40.9	30.4	46.0
Total.....	23.5	<sup>1</sup> 51.6	116.8	328.0	486.6	624.1	306.1	329.4	964.3	1,349.9	1,936.1	3,255.0

<sup>2</sup> Excess of credits—deduct.

<sup>3</sup> These programs are essentially international in nature, and are included in this classification with the kinds of items to which they most nearly relate.

<sup>4</sup> The expenditures under this program are for payment of the difference between the price specified in the International Wheat Agreement and the domestic price of wheat.

<sup>5</sup> Represents the net realized cost of commodities shipped to foreign countries in accordance with the provisions of the Agricultural Trade Development and Assistance Act (Public Law 480, 83d Cong., as amended). The total cost for fiscal year 1957 was \$1,396,373,493, representing (1) the excess of the investment in CCC-owned commodities shipped over the export sales value, \$366,222,971; (2) the cost of financing exportation, \$995,750,740 (primarily cost of commodities shipped from private stocks and ocean transportation); and (3) interest of \$34,399,782. The total cost is reduced by a credit of \$899,161,759 for foreign currencies collected under this program in fiscal year 1957, resulting in a net realized cost of \$497,211,734. The credit consists of the United States dollar proceeds (\$64,786,869) from sales of foreign currencies at rates of exchange current at time of sales of such currencies, and the United States dollar equivalent of (1) foreign currencies used for the purposes authorized by sec. 104 of the act (\$120,889,540), valued at loan agreement rates for loan disbursements, and for other disbursements, at the rate current when disbursed; and (2) foreign currency balances on hand at June 30, 1957 (\$924,447,276), valued at the Treasury selling rate at that date, less foreign currency balances on hand at June 30, 1956 (\$210,961,926), valued at the Treasury selling rate as of June 30, 1956.

<sup>6</sup> Represents the expenditure of foreign currencies, expressed in United States dollar equivalent at rates of exchange current at time of disbursement, for developing new foreign markets for United States agricultural commodities, as authorized in sec. 104 (a) of Public Law 480, 83d Cong., as amended.

<sup>7</sup> Includes the cost of commodities purchased and distributed to the school-lunch program but excludes cash payments to schools for part of their school-lunch program expenditures during fiscal years 1943 to 1949, inclusive.

<sup>8</sup> Includes (1) acreage allotments and marketing quotas program; (2) parity payments; (3) Agricultural Adjustment Act of 1933 and related acts; (4) Agricultural Marketing Act revolving fund, and payments to stabilization corporations for losses incurred; and (5) miscellaneous, including 5 miscellaneous programs as follows: (a) Distribution costs on CCC stocks and hay for emergency feed program; (b) net operating results of the Federal Surplus Commodities Corporation which operated from 1935 to 1942 for the purpose of purchasing, processing, storing, hauling, transporting, and disposing of surplus agricultural commodities and products for relief; (c) retirement of cotton pool participation trust certificates; (d) removal of surplus cattle and dairy products; and (e) transfer of hay and pasture seeds to Federal land administering agencies. The amount of \$921,700,000 shown for the period 1932 to 1936 represents \$378,600,000 for costs of programs conducted by the Federal Farm Board in the years 1932-34, and \$543,100,000 for costs of the Agricultural Adjustment Act of 1933 and related acts.

The House has been asked to consider, based on the action of the House Committees on Agriculture, a proposal designed to free price supports and acreage allotments in their present pattern. This action would perpetuate further the cost to the Federal Treasury and, of course, to the taxpayer and the consumer, without correcting any of the economic problems of agriculture.

I submit, Mr. Chairman, that the continuation of these programs will not only

fail to solve the agricultural problem but that it will be doing a great disservice to agriculture in both the present and long-range points of view.

At this point, I include Facts About Price Supports, released by the United States Department of Agriculture on December 10, 1957:

#### FACTS ABOUT PRICE SUPPORTS

Items from only 13 crops are in Government inventory, plus manufactured dairy products and a small amount of wool soon

to be sold. Our farms and ranches produce some 250 commodities including cattle, hogs, sheep, poultry, and tremendous quantities of fluid milk.

Over 80 percent of the price supports and stabilization costs in the 1956-57 period were concentrated in 3 crops and butter and manufactured dairy products. Nearly one-half—48 percent—of the costs were incurred on two crops—wheat and cotton. Most farm products are being sold competitively—on free markets.

The major Federal costs of price supports and stabilization programs are concentrated



in 3 crops and butter and manufactured dairy products (based on fiscal years 1956 and 1957).

	Percent of costs	Percent of total cash farm receipts from 1956 sales
Wheat.....	30.0	7.4
Cotton.....	18.2	5.9
Corn.....	13.8	5.2
Dairy products.....	20.2	14.7
Subtotal.....	82.2	33.2
All other.....	17.8	66.8
Total.....	100.0	100.0

*1957 fiscal year price support and stabilization calculated costs by size and class of farms*

	Scale of farm product sales	Number of farms	Percent of farms	Percent of United States farm marketings	Calculated portion of 1957 price support and stabilization costs—	
					Total	Amount per farm
Large-scale farms.....	Sales of \$5,000 or more.....	Thous. 1,290	27	79	Millions \$2,571	\$1,993
Medium-scale farms.....	Sales of \$2,500 to \$4,999.....	811	17	12	391	482
Small scale, part-time, and residential farms.....	Farms with less than \$2,500 sales.....	2,681	56	9	293	109
Total.....		4,782	100	100	3,255	

Most price supports go to the 1.3 million large-scale farms accounting for 79 percent of the farm marketings. For this group, the calculated portion of price support and stabilization costs for fiscal year 1957 averaged about \$2,000 per farm.

For the 2.7 million small-scale, part-time and residential farms, accounting for only 9 percent of farm marketings, the calculated portion of costs of governmental programs for price supports and stabilization averaged only slightly over \$100 per farm. These farms received little help from the \$3.3 billion of Federal costs in fiscal 1957.

The rural development program is helping primarily the low-income farm families—the ones most in need of help.

The realized net cost per farm of price support and stabilization programs for fiscal year 1957 by crops (based on most recent census data of number of farms selling the crops) has been about as follows:

	Cost per farm
Wheat.....	\$1,166
Cotton and cottonseed.....	877
Corn.....	687
Grain sorghums.....	365
Rice.....	14,667

There are of course wide extremes between small 15-acre wheat or 5 to 10-acre cotton farms—and the large scale acreages per farm of 100 acres or more.

For example, based on 1954 census distribution of crops by size groups:

WHEAT

Six hundred and twenty-five thousand farms (62 percent) with less than 25 acres of wheat accounted for less than 14 percent of the governmental costs (fiscal 1957). This averaged about \$200 per farm.

Fifty-nine thousand farms (6 percent) with 200 acres and over, accounted for 36 percent of the Government costs (fiscal 1957). This averaged almost \$6,000 per farm.

COTTON

Four hundred and twenty-four thousand farms (49 percent) with less than 10 acres of cotton accounted for less than 11 percent of the governmental costs (fiscal 1957). This averaged nearly \$200 per farm.

This distribution of price support and stabilization program costs is the result of operations in conformance with law.

The net realized cost of programs primarily for the support of farm prices and income in fiscal 1956 was \$1.9 billion and in 1957 was almost \$3.25 billion. These heavy costs would be justified if they led to a solution of the problems. Such is not the case. Price supports at the levels specified by the old basic law continue to generate surpluses which must be disposed of at heavy loss. The stock buildup resulting from the old rigid price law contributed to a major part of this loss. The losses are shown at the time of disposal.

urban and city residents can be prosperous. However, I do not feel that in this bill that will be accomplished. Some of the gentlemen here have spoken about the farm drop in prices, as if it is a Republican phenomenon. The gentleman from New York [Mr. ANFUSO] stated that from 1952 to the present time farm prices have dropped 16 percent. Under Mr. Roosevelt, from 1937 to 1939, a period of 29 months, farm prices dropped 35 percent. Under Mr. Truman, from 1948 to 1950, 24 months, farm prices dropped 22 percent. Again from 1951 to 1952 from March to December, under Mr. Truman, farm prices dropped 16 percent. They have dropped far more under Democrats than they have dropped under Republicans. It seems to me, my friends on the other side believe that the Republicans and Mr. Eisenhower can be put on the political hot spot by passing legislation. They think Mr. Eisenhower will have to veto it and they can go to the farmer and tell what great people they are and what great friends they are for the farmers. Let us look at the other side, the consumer side. What will this legislation do to the food budget of the consumer. Seven-eighths of the population of this country, roughly 150 million people are urban citizen consumers, and one-eighth are farmers. It strictly looks to me like the Democrats are trying to pass some class legislation in order to garner some votes. But, they are going to have to answer to the city consumers. They have to guarantee to the people in the city that they are not going to be pious and say, "We are for the farmers," and at the same time keep raising prices to the city people—which this bill will do by putting a floor under the prices and letting the ceiling go as high as it can. Instead of farm relief, this bill looks like it is designed to prevent any possibility of about 150 million people buying cheaper bread and butter. This is strictly an attempt, it looks like to me, to play both sides of the fence. The Democrats purport to be the friend of the so-called city people where unfortunately they have most of their power today. If they are trying to be the friend of the farmer at the same time, they are going to have to make up their mind on what side of the fence they are on. There is no question about that. Some of the gentlemen here from this side of the fence talk about profits. Let us look at the picture. We have some facts here. In 1947, according to the statistics from the Department of Agriculture, the farmers got 51.4 cents. Labor got 24.2 cents and the handlers took in profits of 5 cents out of every dollar. Then let us look at 1955. Under the Republicans, surely the farmers got less. They got 39½ cents out of each dollar, but labor who we all want to see get just treatment, went up to 31.5 cents.

And what happened to profits of the so-called big corporations and the middlemen that all the gentlemen on this side—not all of them, but most of them—are "hollering" about? Profits went down according to the United States Department of Agriculture to 2.9 cents out of every dollar.

Thirty-two thousand farms (4 percent) with 100 acres or more of cotton accounted for 31 percent of the governmental costs (fiscal 1957). This averaged about \$7,400 per farm.

RICE

Seven thousand, four hundred and sixty-eight farms (64 percent) of the 11,567 rice farms had 100 acres or more of rice and accounted for about 92 percent of the governmental costs (fiscal 1957). This averaged about \$21,800 per farm.

The commodity figures have special meaning when it is realized there are nearly 1.9 million farms with total sales per year of \$1,200 or less.

I have the privilege to represent a great farm district in Indiana where nature has endowed us with good, rich soil. All of us recognize that the farm population in America is decreasing yearly, and we also recognize further that the proposal under consideration is likely to increase the cost of food during this period when there is unemployment. Surely the Congressmen representing primary consuming districts cannot support the proposal embodied in this legislation. The hundreds of letters from farmers in my district in Indiana also ask to have fewer Government controls and less Government interference in their business. They say it is a high price to pay for a program that already has proven to be a failure.

Mr. HILL. Mr. Chairman, I yield 4 minutes to the gentleman from Illinois [Mr. SHEEHAN].

(Mr. SHEEHAN asked and was given permission to revise and extend his remarks.)

Mr. SHEEHAN. Mr. Chairman, history has indicated that the prosperity of the farmers is very definitely and closely linked with the prosperity of the city dweller. I personally would want the farmers to be prosperous so that the



Who is getting the money? I think the charges that you make that the prices are being bloated and the city people are taking advantage of the farmers is not true. The Democrats are trying to play both sides against the middle. It is about time the country is told that they are not going to get away with it.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. SHEEHAN. I yield to the gentleman from Illinois.

Mr. ARENDS. The gentleman says this is a purely political bill. I want to say that although many of us are not always able to clearly see through every legislative proposal and although it is unusual to have snow in Washington as we do at this time, we do not have to have snow on the ground in order to follow the tracks of a lot of politicians.

Mr. SHEEHAN. The gentleman is correct.

Mr. HILL. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. ALGER].

(Mr. ALGER asked and was given permission to revise and extend his remarks.)

Mr. ALGER. Mr. Chairman, although I represent a highly urban area, I am in complete sympathy with the problems of the American farmer. But I think it's about time, also, that the farmers and their Representatives here in the Congress, start thinking about the problems of the consumer whose grocery costs remain high while his paycheck slides or stops.

Let me point out a few facts of life about the agricultural situation at the present time. For example:

Income per person on farms last year was highest on record, up 2 percent over 1951, the previous high year.

Farm assets are an all-time high, \$188 billion as of January 1, 1958.

Farmers have less than \$11 in debts for each \$100 of assets. In 1940, the ratio was \$19 for each \$100.

Owner equities rose 7 percent during 1957 to a peak of \$168.4 billion.

Farm ownership is also at a record high. Only 1 in 3 farms has a mortgage.

The postwar downtrend in prices which started in 1951 has been stopped. Prices received by farmers in February were 8 percent above a year ago and 11 percent above 2 years ago.

The family farm continues to dominate agriculture. Ninety-six percent of our farms and ranches are family operations, about the same percentage as 30 years ago.

The level of living on farms is highest in history.

Farm exports in fiscal 1957 set a new record of \$4.7 billion—68 percent higher than in fiscal 1953.

The surplus production of American farms is being made available for hungry people at home and abroad.

The buildup of surpluses has been reversed. Government investment in surplus farm products owned and under loan has dropped about one-sixth in the past year and a half.

The inventory value of livestock on farms for January 1, 1958, was \$14.2 billion—higher by \$3 billion than a year ago.

In short, Mr. Chairman, the farmer has his problems at this time, but so does the city dweller and I would like my distinguished colleagues to keep this in mind when they vote for this legislation which is designed to assist one segment of the economy at the expense of the others.

Mr. HILL. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. ROBISON].

Mr. ROBISON of New York. Mr. Chairman, as a freshman Congressman, no issue has been of more concern to me than my decision on how I should vote on this legislation, Senate Joint Resolution 162, to provide that acreage allotments and price supports cannot be lower than those in effect in 1957.

Representing a congressional district in which dairy farming is an extremely important segment of our local economy, I have been ever mindful of the problems which have faced the upstate New York dairy farmer for the past several months.

I have sincerely sought to understand and evaluate these problems as the dairy farmers of Broome, Tioga, Chemung, and Steuben Counties of New York have explained them to me. With my distinguished colleague, the Honorable JOSEPH CARRIGG, Representative from the 10th Congressional District of Pennsylvania, I had the privilege last Saturday, March 15, of attending, at Binghamton, N. Y., a conference of farm organizations and individual dairy farmers which we had called for the purpose of discussing these very problems.

That meeting was fruitful in that it gave Congressman CARRIGG and myself the opportunity to learn the thinking of many of our individual dairy farmers at first hand—as contrasted to the second-hand material which had been furnished to us by various dairy farming organizations and blocs. I am grateful for that opportunity, despite the fact that the meeting pointed up the very obvious differences of opinion between the some 50 farm bureau and dairy cooperative members who were kind enough to attend and take part in our discussions.

In brief, the Farm Bureau people told us they believed that while some benefits have been derived by dairymen from the present dairy-support program, it was high time that the dairy farmer recognized that no one can legislate farm income; that political attempts to solve the economic problems of the dairy farmer have failed; that the small dairy farmer who really needs help has been hurt by the price-support program, and that the Government's major role in this field should be to help farmers help themselves via stepped-up research, educational, and marketing programs.

In effect, they asked my colleague and myself to stop helping the dairy farmer, and to give the dairy farmer a chance to help himself. They said that, while Congress has been trying to help them for 25 years by propping up farm prices, we have succeeded only in creating huge surpluses that have actually depressed farm income in our districts; that the fifteen-odd-billion tax dollars we have spent on our farm programs have shackled dairy farm progress, put a ceil-

ing on opportunity, and served mainly to waste America's resources—including capital, labor, fertilizer, and machinery.

The Farm Bureau people told us further it is high time to get the Government out of agriculture and that even though they fully realized that any lowering of support levels would mean a temporary reduction of their net income the end results would more than justify such a hardship.

On the other hand, the cooperative members told us that while they agreed, in principle, that the price-support program had failed, we in Congress should now act to hold the status quo until such time as some alternate program, such as one of the various so-called self-help plans, could be enacted. These people told us further that, in their opinion, lowering of dairy price supports to 75 percent of parity at the present time, as Secretary Benson has directed, could only result in the financial ruination of many of our small- and medium-sized dairy farmers, and that such a step was certainly untimely in view of the current recessionary trend in our Nation's economy.

I am sure that both Congressman CARRIGG and myself respected the sincerity and experience of these people who gave us such divergent views. That there was a divergence of opinion was even more clearly shown when, at the conclusion of our meeting, a call for a show of hands of those supporting Secretary Benson's order to reduce dairy price supports and those requesting us to vote in favor of freeze legislation resulted in practically a tie vote.

Speaking for myself alone, I must confess that it then seemed to me to be completely inconsistent for us in Congress to be considering many and varied ways to combat this present recession—such as tax reduction and a massive public-works program to prime our national economic pump—while at the same time an administrative order was about to take effect, unless we acted to stop it, which would surely result in at least a temporary reduction in dairy-farm income and might even cause some of our dairy farmers to go out of business, thereby adding to our economic woes.

Two things have happened to change my thinking. First, the Senate resolution which is now presented to us calls for a freeze of not just dairy support prices, but for a freeze at 1957 levels, for an indefinite period, if not amended, of all agricultural commodity support prices and acreage allotments, except tobacco.

This is something else again.

Instead of protecting my dairy farmers from further economic troubles until an alternative program for them had been worked out, I am faced with legislation which would institute not just a freeze of policy but a major change of policy; in fact, a basic radical change in congressional policy with respect to the entire price support and acreage allotment program, one that would virtually cripple the use of flexible standards in determining price supports and might constitute a serious setback in our ad-



ministration's farm program which would take years to overcome.

Secondly, yesterday morning I had the distinct privilege of discussing this dilemma with Secretary Benson himself. No single individual I have yet met in governmental circles has so impressed me with his sincerity and basic honesty as did this man. I think that no one, regardless of his political affiliations, could help but believe, upon meeting him, that this is a man who, in his own words, is continuing to pursue a course which he believes is best for our farmers and fair to all our people.

After careful consideration, I am now convinced that this resolution is bad legislation. It might temporarily prevent a loss of about \$200 a year in gross income on the average dairy farm in my district. This is a result I would like to see achieved, Mr. Chairman, but not at the expense of the consumer and of sabotaging our entire farm program, creating additional surpluses and increasing greatly the cost to the taxpayer of supporting government in agriculture. I recognize that I have a duty to my constituents, but I also recognize that I likewise have a duty to consider the nationwide effect of legislation such as this and that there must be times when that duty must be paramount to local interests. I believe this to be one of those times.

Mr. Chairman, in conclusion I might add that if I have the opportunity to vote on a resolution to freeze only dairy support prices for a period long enough to allow this Congress to enact one of the various so-called self-help plans which are under consideration to protect the dairy farmer during the transition period necessary to getting the Government out of dairy farming, I would be inclined to support such a resolution.

Political complexions being what they are in this election year, I may not have that opportunity, and I also very seriously doubt that we in the minority party will be given the further opportunity in this session of considering and voting upon any of the proposed self-help plans.

I will vote "nay" on Senate Joint Resolution 162 in its present form.

(Mr. ROBISON of New York asked and was given permission to revise and extend his remarks.)

Mr. HILL. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. MICHEL].

[Mr. MICHEL addressed the Committee. His remarks will appear hereafter in the Appendix.]

(Mr. MICHEL asked and was given permission to revise and extend his remarks.)

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. THOMPSON].

Mr. THOMPSON of Texas. Mr. Chairman, during the earlier part of the debate a question was asked as to whether Mr. Benson could lower price supports. He can and I will show you how he is doing it in the case of rice.

When the support level was fixed last fall, it was based on figures compiled within the Department of Agriculture.

Among others, the figures used were expected domestic consumption and expected foreign consumption. The latter figure was based to a considerable extent on shipments abroad during the preceding year. These shipments incidentally were 24½ million hundredweight under Public Law 480.

The statisticians, to be conservative, revised this downward to 19 million which was the figure submitted.

Using this as a part of the expected shipments abroad, the surplus of rice was lowered to such a point that under the escalator clause the support price would have been in the neighborhood of 86 percent.

These figures were immediately sent back with instructions to use an estimate of foreign shipments which would bring the support price down to 75 percent. This was done and that is where the support price stands today.

At the same time, a cut in acreage is inevitable and the rice producers will take a 37 percent cut for next year.

The rice industry can't take it and there is no reason why they should in the face of a worldwide shortage of rice and a ready demand for the American surplus.

If the Commodity Credit Corporation filled the requirements as they stand today, by the first of August there would be no surplus.

All of the foregoing was developed in a hearing this morning in the rice subcommittee.

The rice industry needs the passage of this resolution desperately so that we may have an opportunity before we go broke to recommend some permanent legislation.

(Mr. THOMPSON of Texas asked and was given permission to revise and extend his remarks.)

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Missouri [Mr. CANNON].

[Mr. CANNON addressed the Committee. His remarks will appear hereafter in the Appendix.]

(Mr. CANNON asked and was given permission to revise and extend his remarks.)

Mr. COOLEY. Mr. Chairman, I yield the balance of my time to myself.

Mr. Chairman, I want to conclude this debate by saying it is difficult for me to understand how the last two or three speakers were bold enough to suggest that there was something political about this legislation. Maybe the President will veto it but, I personally do not think so. I do not see why he should veto it.

This bill does not increase acreage, it does not increase price supports, it does not do anything that is going to be harmful to the consumer. By this law we are adopting the figures and calculations made by Mr. Benson in 1957. Certainly the farm income in 1957 was not too high, but it will go substantially lower than the 1957 level if we do not pass the pending resolution.

I do not believe there is a man over there that would urge the President to veto this joint resolution. I do not think a member of our committee would urge

the President to veto it, because they know that it is fair and reasonable. What is to be gained by driving farm income down another half a billion dollars in the current year?

I feel that perhaps an effort will be made to freeze dairy price supports only. What good and logical reason could be advanced to sustain such a motion as that? If there is anything political in this bill it is the dairy section, because a vote for this bill, in fairness, I might say, will have the effect of rescinding Mr. Benson's order.

But we have been led to believe that the President even now perhaps has under consideration a modification of the order which Mr. Benson will put into effect on April 1 if no action is taken either by the White House or the Congress.

The Senate has passed a permanent bill. I understand some Members may object to it, but I do not see how anybody can take any reasonable objection to the one-year freeze in the resolution now before the House. It does not prevent the Secretary from increasing price supports if he determines that price supports should be increased, but it prevents him from lowering price supports during the current year, and it would have the effect of preventing a reduction in acreage programs on the 1959 crops.

I urge Members of the House to adopt the resolution.

The CHAIRMAN. The time of the gentleman from North Carolina has expired, all time for general debate has expired.

The Clerk will read.

The Clerk read as follows:

*Resolved, etc.,* That in order to prevent reductions in support prices or acreage allotments prior to consideration by Congress of such changes in the price support and acreage allotment laws as may be necessary at this time—

(1) the support price (in terms of dollars and cents) for any agricultural commodity, except tobacco, shall not be less than that available for such commodity during the marketing year or season which began in 1957; and

(2) the total acreage allotted for any agricultural commodity, except tobacco, shall not be less than that allotted for the 1957 crop of such commodity, and sections 302, 303, and 304 of the Agricultural Act of 1956 (relating to minimum National, State, and farm acreage allotments for 1957 and 1958) shall be extended to apply to each crop of upland cotton and rice, respectively, to which this resolution is applicable.

This resolution shall be effective only until such time as Congress shall make other provision for price supports and acreage allotments and provide for the repeal of this resolution. Nothing in this resolution shall be construed to repeal or modify any law enacted in the second session of the Eighty-fifth Congress or to require price support to be made available if marketing quotas have been disapproved by producers, or to non-cooperators in the case of any basic agricultural commodity.

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 9, after the words "This resolution shall be effective" strike out the rest of the sentence including the period on line 12 and insert: ", with respect to price supports, only for the marketing year or season which begins in



1958 and, with respect to acreage allotments, through 1959 crops."

Mr. MATTHEWS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the purpose of the bill we are now discussing, of course, is to interpose a 1-year stay of further support prices or acreage-allotment reductions.

This purpose, briefly, is to put \$500 million more in the hands of the American farmers. I am not satisfied with the program that we have for the American farmer and I know that none of you are satisfied with the program. I want at this time to pay tribute to my colleagues on both sides of the aisle for patiently striving to bring to the House before long a program that we hope will better solve the program of the American farmer. But, this, Mr. Chairman, in my opinion, is an essential stopgap measure, and I sincerely hope it is approved by an overwhelming majority.

The distinguished gentleman on the other side of the aisle a few moments ago continued to stress the fact that this is a fight between the consumers in the great American cities and the farmers in other parts of this Republic. I do not know facts that could be presented any more clearly than have been presented on this particular subject by the gentleman from Oklahoma [Mr. ALBERT], who said that in 1952 when wheat was supported at 90 percent of parity a loaf of bread cost 16 cents; whereas, in 1957, wheat was supported at 79.7 percent of parity and a loaf of bread cost 18.8 cents.

Secretary Benson himself has said there is no direct relationship between the so-called price-supported commodities and the price that the consumer has to pay in the market place.

Now, if it does not make sense, please look at the facts and you can deduce no other conclusion. Several years ago the House Committee on Agriculture presented a study wherein it was stated that a \$3.95 cotton shirt represented only 30 cents to the farmer who raised the cotton; and a peanut candy bar costing 5 cents had only one-half cent's worth of peanuts in it. In other words, it would seem as though you could give some of these commodities away and it would not make any difference in the price to the consumer. And, strange as it may seem, that is entirely borne out by the facts in the case.

I have the feeling that in a few minutes, as has already been indicated, an effort is going to be made to put one group of farmers against another group of farmers. I have a suspicion that someone is going to get a little idea that somebody else is going to get more than the other fellow. I must say to my friends that whatever action is taken, all those affected in any farm commodity group should be treated alike or we will have no farm program.

Let me suggest a few of these farm programs that we have which are helpful to all segments of our farm economy: First, section 32 funds; \$216 million available last year, to help farmers who did not produce the basic crops; second, marketing-quota programs; third, agri-

cultural research, in the amount of \$135 million; fourth, the great Forest Service program amounting to \$123 million; fifth, marketing service programs which totaled \$130 million; and, sixth, the conservation reserve program which cost \$162 million. Then there is the sugar program, the wool program, and I could go on and on and end up with the great dairy program, by means of which we are feeding millions of children and needy people. We are spending millions of dollars a year on this great program for the American consumer, and I know this program is of great aid to the dairy farmer.

I want to say, Mr. Chairman, we must present a united program. I sincerely hope that our great statesmen on the left are not going to try to tear us apart and to suggest one program that will tend to make others in other parts of the farm-producing sections oppose that particular program.

I would like to take a few moments to point out that these programs help all of our people. As I pointed out a few moments ago, through Public Law 480, 3,600,000 needy families, 1,388,000 people in charitable institutions, and 13 million schoolchildren are being fed. If that is not aid to the consumer, I do not know what aid we might consider.

I think, finally, we should stress the fact that the cost of our farm programs has been greatly exaggerated. We hear that the farm program last year cost \$5 billion. Over one-half billion dollars of that amount represents loans to the REA and FHA, which will be repaid by our farmers. At least \$2 billion represents other items which should not be charged to the American farmer.

Mr. LAIRD. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I endorse a price-support level of at least \$3.25 per hundred-weight for manufacturing milk with a butterfat content of 3.95 (national average) until a permanent producer-financed and operated self-help dairy stabilization program can be effectuated. I have introduced legislation which will give farmers throughout the United States an opportunity to vote on a new self-help dairy stabilization program. The authority to conduct such a milk producers' referendum is contained in H. R. 10060 introduced by me on January 16, 1958. I am hopeful that this legislation will be reported to the Congress for action during this 2d session of the 85th Congress.

I shall vote to maintain the price support level of \$3.25 which is contained in this bill we are considering this afternoon. I do this not as a permanent solution to our dairy problem but only as a stopgap action on the part of this Congress to give dairy farmers the opportunity to have a referendum on a new program.

Milk is produced in every State in the United States. It must be harvested twice a day and must go to market at least every other day. Milk producers have adopted new production procedures to reduce costs and improve quality. Milk must be produced in sufficient volume to supply adequate consumer needs.

In order to do this every day of the year a ready reserve is needed.

During the past 9 years, the so-called surplus has ranged from a high of 8 percent in 1953 to less than 1 percent in 1951 of the total annual milk production. Even though the surplus has been small, it has set the floor and ceiling on our manufacturing milk prices. All surplus class I milk has been dumped into cheese, butter, and powder. This has had a tremendous impact on the Wisconsin dairy farmer in view of the fact that 84 percent of his milk has no market within the State boundaries of Wisconsin and must move out mainly in the form of manufactured dairy products.

The dairy-processing industry employs over 300,000 people. Retail sales amount to about \$10 billion annually. Dairy accounts for over 20 percent of the total agricultural income of our Nation.

While support prices have been reduced since 1954 and are about to be reduced further, dairy farm costs are increasing. The increased cost of production in 1957, compared to 1947-49 averaged 14 percent. Taxes, labor, and machinery are up. Feed and livestock down. Further support reduction will aggravate this cost situation.

The reduction in supports of \$3.02 will take an additional \$250 million annually from producer income. These reductions can only result in drastically reduced consumption for industrial products. The proposal to authorize the Secretary to reduce support levels to 60 percent of parity could lower producers' annual income from present levels by \$1 billion. It has been estimated that milk producers in the State of Wisconsin stand to lose \$40 million in the reduction from \$3.25 to \$3.02. They would lose about \$114 million in a reduction from the present level to 60 percent of parity.

In addition to favoring a support level of at least \$3.25, I support proposals to adopt a base period for calculating the parity equivalent formula which reflects a free market period—namely, July 1946 through December 1948. During this period, there were no support purchase programs and no national emergencies. Although these proposals would result in a modest increase in the support level for manufacturing milk, we would only be holding our own income position in an expanding economy.

The United States Department of Agriculture has estimated that the dairy stabilization program for products acquired during fiscal 1957 carried a net cost of \$228,350,000. But in that figure is a specific appropriation by Congress of \$56,572,000 for the special school milk program. Another item included is that of \$14,415,000 for donations to other nations on behalf of the American people to relieve famine or other emergencies. This cost should not be charged against the dairy support program. One other item includes \$41,500,000 for the removal of surplus agricultural commodities. The funds for this is obligated under section 32 customs duties and should not be charged to dairy supports. Taking these items into consideration reduces the 1957 fiscal year cost to \$115,738,000 as compared with the reported figure of \$228,350,000.



Mr. Chairman, in this morning's mail I received the following letter which I would like to read into the RECORD at this point, from Mr. Curtis Hatch, president of the Wisconsin Farm Bureau Federation:

WISCONSIN FARM BUREAU FEDERATION,  
March 18, 1958.

The Honorable MELVIN R. LAIRD,  
The House of Representatives,  
Washington, D. C.

DEAR CONGRESSMAN LAIRD: Enclosed is a resolution adopted by our board of directors to clarify our position with regard to a dairy program.

Sincerely,

CURTIS HATCH,  
President.

The enclosed resolution reads as follows:

RESOLUTION REGARDING A NATIONAL DAIRY PROGRAM AS ADOPTED BY THE WISCONSIN FARM BUREAU BOARD OF DIRECTORS AT MADISON, MARCH 11, 1958

Recently there have been a number of inquiries regarding the position of the Wisconsin Farm Bureau on legislation before Congress for a new dairy program.

On December 18, 1957, this organization adopted a program for the effective solution of the current dairy problem, the essential features of which were:

1. Maintenance of 1957 dairy support levels until a new program is perfected.
2. Creation of a new farm bank program to take entire farms out of production.
3. Free movement of concentrated fresh and concentrated sterile milk in trade as grocery store items.
4. Elimination of trade barriers, and
5. Expansion of foreign markets.

We give this program, with particular emphasis on point No. 2, our unqualified support, in the belief that its enactment and proper administration will (a) balance production and consumption, and thereby, (b) make other legislation unnecessary.

In view of this policy and these beliefs, we feel all efforts should be bent to bring about enactment of this program.

If such a program cannot be enacted, we believe dairy farmers should have the opportunity to determine whether, as an alternative, they wish to have a self-help program, such as is provided for in H. R. 10060.

But we (1) insist that the specific provision for a referendum with voting on an individual basis be retained as presently provided for in said H. R. 10060, and (2) emphasize that it is our absolute obligation and duty to point out the dangers as well as the merits of any legislation which may be proposed.

I appreciate the support of the Wisconsin Farm Bureau favoring a referendum on a self-help dairy stabilization program. I shall continue my efforts to see that legislation providing for such a referendum is enacted by this Congress.

For the benefit of those Members of the House who like myself came from dairy districts I know their people will want to know at what level feed grain has been frozen—soybeans, from which soybean meal comes, are frozen at a minimum of 70 percent of parity. Cottonseed and flaxseed, on which we depend for protein, are frozen at 65 percent. Barley, oats, and sorghum grain are frozen at 70 percent. Corn that is grown under allotment, is guaranteed 77 percent. But that is not where we get our corn for dairy feeds. We get it from noncompliance acreage and noncommercial areas. Corn in the noncommercial area is frozen at 70 percent of parity.

#### THE MILK PRODUCER NEEDS A NEW DAIRY PROGRAM

We know that milk is the basis of the most important of family foods known to man. Nutritionists agree that consumption of milk and milk products in this, the world's richest country, is not at a level which is commensurate with good health. In this 20th century we have seen advertising sales promotion of less healthful substitutes and soft drinks outdistance dairy products by as much as 2,000 percent. We all admit that milk and its products have not been satisfactorily sold to the American consumer.

#### FOUR MAJOR FACTS FACING DAIRY FARMER

We must face major facts as we look at the dairy industry today. The first and most basic one is that the dairy industry will be sick, regardless of the level of Government supports, just as long as the production of milk and its products outpace consumption. It is axiomatic that milk surpluses, no matter who stores them, act as a depressing influence upon the farmer's price for milk.

The major problem is bringing production and consumption into balance, and then we must go on and face other facts which are part and parcel of a sound program for the future.

Second, Government alone cannot bring permanent prosperity to the dairy industry. It can help or it can harm. The program should stress helpful rather than harmful actions by the Government. The 1949 dairy price support law under which we have operated for 8 years is not the type of Government program that helps the dairy farmer, but merely adds to his problems.

Third, the dairy problem can be met partially by increasing efficiency on many of our dairy farms which means higher volume at lower cost.

Fourth, the greatest help to the dairy farmer lies in the field of increasing per capita consumption of milk and its products. This responsibility lies principally with the dairy industry itself.

#### NINETEEN HUNDRED AND FORTY-NINE DAIRY SUPPORT LAW DOES NOT HELP FARMER

Let us look at the 1949 dairy support law which has been in effect for these past 8 years. This program as enacted by the Congress in 1949 was designed to protect the dairy farmers' income. The experience of these past 8 years has shown that it gives the greatest amount of protection to the dairy plant operators, assemblers and middlemen. With the Commodity Credit Corporation standing ready to buy top quality cheese, butter and powder to remove surplus milk production from the market place, you find that the real incentive for most processors to sell their products in the market place has been almost destroyed. You find the best quality manufactured dairy products being channeled into Government warehouses.

Milk is not like wheat, cotton, peanuts, corn, rice and tobacco. These so-called basic agricultural commodities can be loaned on, or purchased by the CCC in the form in which they are produced by the farmer. Milk to be purchased under a support program must be processed

into a storable form. This processing is done away from the farm and for that reason the Commodity Credit Corporation, under the 1949 Agricultural Act, must support dairy products through a middleman. This 1949 purchase program has done almost as much to destroy dairy markets as the action which allowed colored substitutes to be shipped in interstate commerce.

The manufacturers of dairy products have not increased sales staffs in the proportion to the sales promotion work which has been done by other sections of industry. The plant operator is in a position where he can always sell to Uncle Sam without lifting a finger as far as sales promotion is concerned. This lack of sales promotion is the direct result of a program in which Uncle Sam stands ready to buy dairy products at a fixed price.

The 1949 dairy support law also has shown that milk production cannot be effectively controlled through the use of its variable support levels.

#### THREE ALTERNATIVES ARE AVAILABLE TO CONGRESS

The 1958 session of the Congress is indeed a critical session for the future of America's dairy farmer. The facts clearly show that a new dairy program is absolutely essential and vital. There are three alternatives which are open to milk producers.

First. Remove all price supports and let prices fall where they will clear the market. This would tend to squeeze out farmers with low producing cows and high costs of milk production. This course of action if taken without due notice would put the entire dairy industry in complete chaos for several years and tend to further promote restrictive local milk marketing regulations throughout the country.

Second. Adopt the subsidy payments plan through which farmers would receive direct payments from the government. These payments would make up the difference between a low free market price and a given percentage of parity. This type of program would further discriminate against those areas of the country producing milk for manufactured dairy products. This alternative would call for the strictest type of milk production controls and would be disastrous to future dairy sales promotion efforts by establishing an unrealistic sales price for dairy products in the market place. This type of program would make Uncle Sam the master of every milkhouse in the United States. Dairy products are currently the best food buy in America today. Today the American consumer can buy over three times as much in dairy products for the same hour of labor as he could purchase prior to World War II. The facts are that substitute manufacturers will always be able to cut their prices. They will demand the same type of treatment from the government in the market place; therefore always will be in an advantageous position to compete with dairy products if price was the only consideration. Milk producers have the best product, but the present dairy price-



support program has destroyed the incentive for selling it.

Third. Milk producers throughout the United States have within their grasp the third alternative which is the most realistic in its approach and will provide the dairy farmer with the brightest future. I refer, of course, to a self-help dairy stabilization program. This self-help program is an amended version of the original dairy program recommended by the National Milk Producers Federation 2 years ago.

Through conferences which began in my congressional office in Washington, a national dairy committee was set up under the sponsorship of the National Grange and the National Milk Producers Federation. Outstanding dairy leaders throughout the United States served on this committee. The results of their meetings over a 2-year period convinced them that the legislation which I introduced on January 16, 1958, H. R. 10060, offers the best hope to our Nation's milk producers for a bright dairy future.

In Wisconsin I have made every effort to get dairy groups together behind a single program. Only through unity on the part of farmers and farm organizations themselves can we meet with success in securing the necessary legislation for a new program. I have asked dairy farmers and farm organizations to submit to me their suggested changes in H. R. 10060 as introduced.

#### PRINCIPAL PROVISIONS OF THE NEW SELF-HELP DAIRY STABILIZATION PROGRAM

First. The principal provision provides for a referendum of milk producers which would be conducted by the Secretary of Agriculture on September 8, 1958, to determine whether dairy farmers favor a dairy-stabilization program operated by a Federal Dairy Stabilization Board in accordance with the provisions of the act, or continuation of the present type of price-support program operated by the Secretary. If a majority of producers voting favored the dairy-stabilization program, it would go into effect April 1, 1959.

Second. A comprehensive, national-dairy policy would be established, commensurate with the importance of dairying in the national economy.

Third. As a part of the policy declaration, the criteria for price stabilization would include not only an assurance of adequate supplies of milk and dairy products for consumers, but a fair return to producers, taking into consideration investment, risk, and the labor of the producer and his family.

Fourth. The dairy stabilization program will be run by dairy farmers themselves through a Dairy Stabilization Board made up of 15 members selected by dairy farmers. At least 11 of the members must actually be engaged in the production of milk.

Fifth. The Stabilization Board would support milk and butterfat prices to producers at levels to be established and announced annually by the Board. The minimum price for milk used in manufactured dairy products would be \$3.86 per hundredweight at national average butterfat content.

Sixth. The Stabilization Board would buy and sell domestically produced milk, butter, cheddar cheese, nonfat dry milk solids, and other dairy products at such prices and in such manner as would enable it to stabilize prices to producers at the established levels and avoid disruption of regular commercial marketing channels.

Seventh. The program will be financed by a single assessment of not to exceed 25 cents per hundredweight on all milk and butterfat marketed. Whenever the total cost of operating the stabilization program requires an assessment of more than 25 cents per hundredweight of milk, then an alternative method would be used employing a nominal assessment below 25 cents on all milk and butterfat marketed, plus a supplemental assessment on all surplus milk marketed by individual producers through a base-surplus or two-price program.

Eighth. For the marketing year beginning April 1, 1959, prices of milk and butterfat would be supported at 90 percent of parity, using the manufacturing milk parity equivalent formula originally used under the Agricultural Act of 1949, and the marketing assessment to producers would be 25 cents per hundredweight of milk or milk equivalent. Thereafter, decisions with respect to price support levels, the use of marketing bases, and the amount of marketing assessment or assessments would be made annually by the Board.

Ninth. All dairy marketing assessments withheld from money otherwise due milk producers would be remitted by processors or handlers to the Commissioner of Internal Revenue. Returns would be filed and remittances made monthly in accordance with rules prescribed by the Commissioner.

Tenth. The proposal provides a strong incentive for farmers to produce for the effective domestic market at a fair price.

Eleventh. Provides a stimulant for increased dairy sales activities.

Twelfth. Rewards and places a premium on efficiency in milk production.

Thirteenth. Provides an insulation against diverted and soil bank acres being dumped from the basic commodities through the establishment of a base in accordance with the production records of existing milk producers.

Fourteenth. Provides no subsidy on surplus for export, thus is far less objectionable than the present price-support program or the so-called direct-payment program when viewed solely as to its effects on our foreign relations and foreign trade.

Fifteenth. This program does not condition the consumer to unrealistic low prices for dairy products which in the long run could prove disastrous.

Sixteenth. Provides the same financial advantage provided by the original self-help bill advocated by the National Milk Producers Federation, but places major cost on the producer of surplus milk rather than on the producers of all milk. The only cost assessed to all milk would be the handling and assembly cost which could be met by the small fixed stabiliza-

tion fee, which under the terms of my bill could never exceed 25 cents per hundredweight on milk used in the domestic market. This year 96 percent of United States milk production was used in the domestic market.

Seventeenth. This program will save the Federal taxpayers over \$300 million a year and is the first important step in getting the Federal Government out of the dairy business.

#### HOW DAIRY STABILIZATION PROGRAM OPERATES

If the costs of administering the Dairy Stabilization Program are estimated to exceed the 25 cents dairy stabilization fee in the opinion of the Dairy Stabilization Board, the two-price or base surplus feature of this legislation would go into effect by order of the Board.

The Dairy Stabilization Board would, immediately prior to each marketing quarter, publish a market-surplus ratio. At the present time this ratio would be approximately 96 percent market and 4 percent surplus. In other words, there would be a domestic market for about 96 percent of the national production, if the current rate of production is continued.

Let us assume for the moment that Mr. Processor operates a plant in Wisconsin and Mr. Farmer is shipping to Mr. Processor's plant. The dairy stabilization board has published the ratio for the coming quarter. At the same time the dairy stabilization board announces that all it can get for its surplus milk in disposal operations—relief-foreign trade-industrial use and livestock feed—is approximately \$1 per hundred. That then will be the surplus price for the coming quarter.

At the same time, the dairy stabilization board announces that it will support the domestic market price of dairy products at 100 percent of parity. Let us for example, assume that the support of manufactured dairy products at 100 percent of parity, means that you would receive in the free market in Wisconsin about \$4 a hundred, for milk. Now let us go to Mr. Farmer's farm. Let us assume that for the past 3 years he has averaged to market 30,000 pounds of milk each month. Mr. Farmer's market for the month of January 1958 will be 96 percent of the 30,000 pounds, or 28,800 pounds. Only on that much milk will he be supported at 100 percent of parity level, or in Wisconsin, \$4 a hundred. Any milk he produces over 28,800 pounds will be paid for at the surplus rate of \$1 a hundred.

So, if Mr. Farmer produces at the same rate as he did last year, he would have 1,200 pounds for which he would receive \$1 per hundred. Naturally he would probably keep that milk on the farm and feed it to his calves or cut out some of his low producing cows rather than produce at that rate of return.

Obviously if we were to stop here there would be an opportunity for Mr. Processor's dairy plant to make a substantial financial killing. No one would accept



that proposal. When Mr. Farmer is paid \$4 a hundred for 28,800 pounds, however, and only \$1 a hundred for any surplus milk he produced, Mr. Processor would stand to gain \$3 a hundred on the surplus milk. At the same time the dairy stabilization board would be losing about \$3 a hundred in the purchase of milk and its disposal. It would mean that Mr. Processor's dairy plant then would divide his payment on the surplus milk between the dairy farmer and the dairy stabilization board. Mr. Processor's dairy would actually pay at least \$4 a hundred for every drop of milk it received, but for surplus milk the dairy plant would pay \$1 to the farmer and \$3 to the dairy stabilization board to underwrite the disposition of surplus milk. The dairy plant could do anything it wanted with this milk because actually it paid \$4 a hundred for all its milk, which was the minimum market price in Wisconsin.

DAIRY STABILIZATION PROGRAM INSURES  
BRIGHT FUTURE

The dairy stabilization board would guarantee dairy farmers a minimum price of \$3.86 for all milk sold for domestic consumption. All surplus milk would be paid for at not to exceed the actual disposal price on foreign markets, in industry or in feeds, etc. Milk producers would be assigned a base quota arrived at on the basis of his average production during the preceding 3-year period. The national quota would be determined on the basis of milk needed for domestic consumption in any given year. If this plan would have been in effect during the current marketing year, each milk producer in the United States would have received a minimum of \$3.86 for 96 percent of the milk he produced. On the amount of milk produced over and above his base or quota, the dairy farmer would receive a price determined by the dairy stabilization board to be the price at which it could dispose of surplus milk production.

Two years ago the Dairy Subcommittee of the House Agriculture Committee conducted hearings in Minnesota and Wisconsin, and 22 separate proposals were made by dairy groups. The confusion which confronted the dairy subcommittee cannot be continued. The 1949 dairy support law under which we have operated these past 7 years is clearly not the answer.

Mr. Chairman, I repeat again, if we are to maintain the family dairy farm in the areas of our Nation which have historically produced our milk; if we are truly desirous of alleviating the cost-price squeeze in which milk producers are currently caught, this self-help dairy stabilization program must be adopted as the best insurance policy that has been offered for a bright dairy future.

Mr. Chairman, I shall vote for Senate Joint Resolution 162, because I believe, as does the Wisconsin Farm Bureau, Wisconsin Pure Milk Products Cooperative, Wisconsin Council of Agriculture, the Wisconsin Farmers Union, the Wisconsin Creamery Association, and all farm organizations in Wisconsin, that it is necessary for us to maintain the present price-support levels for another year so that

we will have this year to lay the groundwork in establishing a new dairy program to benefit our Nation's milk producers. It is imperative that farmers be given an opportunity to vote on a new dairy program in this year 1958.

Mr. COOLEY. Mr. Chairman, I think it would be well for us to have a vote on the committee amendment to which I think there is no objection, and I ask for a vote on the amendment.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. HAGEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HAGEN: On page 2, lines 5 through 10 after "commodity" strike out "and sections 302, 303, and 304 of the Agricultural Act of 1956 (relating to minimum National, State, and farm acreage allotments for 1957 and 1958) shall be extended to apply to each crop of upland cotton and rice, respectively, to which this resolution is applicable." And on page 2, line 5 after "commodity" insert a period.

Mr. HAGEN. Mr. Chairman, this resolution was the subject of a somewhat amusing and not very productive discussion in our committee. There were no witnesses heard either from the Department or from these various commodity groups which are affected by this resolution. There are over 20 groups which are affected.

In preliminary background for my amendment I would just like to point out certain things. I think this Congress has to face up to the fact that we have two kinds of a farm problem in this country. According to the figures of the United States Census, there are 4,800,000 farms in the United States. Of those farms which produce sales of commodities worth \$2,500 or over there are only 2,100,000, and they produce 90 percent of all the farm products produced in the United States. The remaining 2,700,000 farms, which produce products worth less than \$2,500 per year in annual gross product, produce only 10 percent of the total farm product in the United States.

I think it is time that when we draft a farm program we decide whose interests we are looking after, those farmers who produce 90 percent of the food and fiber for our population or those farmers who produce only 10 percent of the food and fiber for our population. In the latter instance we certainly need some kind of a special relief program, but it should not be obtained by tinkering around with these various commodities to the disadvantage of that farm population which produces 90 percent of our product.

There has been a lot of talk about our disappearing farm population. In our recent history the only time that our farm population has increased has been during a period of depression. As the country becomes increasingly prosperous our farm population increasingly declines. There has been, I might add, a continuous decrease in our farm population since the year 1935. There is nothing at all unusual about that. The size of our farms has grown larger as the technology has improved.

With respect to this particular proposal, which deals with over 20 commodities, there was no evidence taken, as I have said, to know what the wish of the growers or producers of each of these commodities is with respect to this legislation. I know that it affects rice. It is my recollection that the desire of the California ricegrowers is to have a reasonable price support and have more acreage. This proposal raises the support level for California rice, so I would assume that this measure is objectionable to the California ricegrowers. This is an example for treating each of these commodities separately in resolutions of this kind.

To get more specifically to my amendment, I would strike out of this resolution a proviso which would extend into 1959 a special increase in the national acreage allotment of cotton of some 194,000 acres. These acres will go to this group of farmers who produce less than 10 percent of our total production. They are the least efficient farmers in the United States. They are the greatest burden on the farm population and on the Federal Government.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HAGEN. I yield to the gentleman from North Carolina.

Mr. COOLEY. The gentleman has now made it perfectly clear that the purpose of his amendment is to take cotton from the little cottongrower and give it to the big cottongrower.

Mr. HAGEN. In response to the gentleman's question—

Mr. COOLEY. Is not that what the gentleman has just said?

Mr. HAGEN. I am taking it from the so-called 4-acre—

Mr. COOLEY. That is right, the little, inefficient man. The gentleman is going to bankrupt him in the interest of the big farmer.

Mr. HAGEN. May I say to the gentleman from North Carolina that that man has been bankrupt under over 30 years of farm programs. He is in the same position he has always been in. I should like to devise a program to help him. I really would, but I do not want to devise a program to help him that takes it out of the hide of the small farmer who can make an efficient living on the farm. That is exactly what we are doing by dealings of this kind.

Mr. CANFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the Newark Evening News, of Newark, N. J., last Sunday described the measure now before us as "A direct attack on the pay envelopes of urban consumers."

This newspaper brands as most illogical the arguments of those who call this crop-support freeze an antirecession bill because they are in the main those most vociferous now in demanding income-tax cuts so that consumers will have more money to spend and excise-tax cuts so the prices of manufactured goods can be lowered.

How does the great American Farm Bureau stand on the issue before us? I hold in my hand a telegram sent me 2 days ago by Charles B. Shuman, presi-



dent of the American Farm Bureau, reading as follows:

Senate Joint Resolution 162, amended, rigidly fixing price supports and acreage allotments, is against the long-time interest of farmers and should not be approved.

The Passaic (N. J.) Herald News in my district, March 15, editorially describes the passage of such a bill as the one now before us as "a defeat for the American public" and holds "a veto by President Eisenhower will certainly be in our national interest."

Mr. Chairman, how can we approve this bill today when we read in the New York Herald Tribune of this very morning that Washington tomorrow morning is expected to announce that consumer prices have reached an alltime high? Yes; I represent a consumer district—one beset by unemployment currently causing real hardship, and yet the proponents of this measure are now asking me to go along with a bill which will cost an estimated \$300 million a year more. Breaking this down into individual districts, they may contend that the cost per district will average only \$700,000. My answer to that is—this is an increased burden that my people simply cannot meet.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I am glad to yield to my colleague from New Jersey.

Mr. THOMPSON of New Jersey. One thing about this that disturbs me very greatly, is the evidence, which I submit to my distinguished colleague, that food prices are 103 percent of what they were in 1951 and that the farmer's income is down 81 percent of what it was.

Mr. CANFIELD. I am sorry that my friend and colleague from New Jersey was not able to attend the hearings on this bill—because no hearings were held thereon.

Mr. THOMPSON of New Jersey. I thank the gentleman.

(Mr. CANFIELD asked and was given permission to revise and extend his remarks.)

Mr. BROWN of Missouri. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this amendment would be just another disaster, I fear, for the small farmers of America; and my colleague from southeast Missouri [Mr. JONES] will take good care of it in due time.

I rise to talk right now about the most disturbing thing of all in this debate this afternoon—this pitting of city districts against country districts and consumers against farmers at a time when the very survival of America requires unity.

Let us be honest—you folks who represent city people—let us face some facts. You say you are helping your people by voting against the farmers of America. Well, let me tell you how you are helping them.

Twelve to fifteen percent of American families buy a new car each year. This past fall we did a survey of a cross section of farm families in southwest Missouri. Here is what that survey showed—and mark these words well—anyone of you who has an automobile assembly

plant in your district—three-tenths of 1 percent of our farm families bought a new car in 1957. You cannot buy \$3,000 Chevrolets with \$3 milk. You cannot be city prosperous and country broke. It never worked and it never will.

I have seen trade publications recently estimating that automobile manufacturers and dealers lost the sale of hundreds of thousands of automobiles and trucks in 1956 and 1957 in the rural areas of America. Estimates range as high as 500,000 units. Farmers either cannot afford to buy or they are afraid to buy because their faith in the future has been badly shaken. Yet, if we do not pass this resolution and if we do not call a halt to this Benson policy, it may be still more thousands of lost sales on automobiles, steel, appliances, and other consumer goods this year.

This resolution is not in any sense a long-range answer to farm problems, and I do not think anybody pretends that it is. It is not a long-range answer any more than the emergency housing program offers permanent answers to housing problems. This resolution is an attempt to hold whatever ground there is left under American agriculture so that we will have some kind of foundation upon which to rebuild.

To those who feel they must vote against this resolution on principle let me ask: Do you think you are voting against the principle of price supports?

The Benson program is not to eliminate price supports. He likes them so well he even extends them to the non-complying corn farmers, people who did not sign up for them in the first place.

Benson wants price supports, but he wants them on his own terms—high-minded low-priced terms. Low enough to keep the farmers sullen but not low enough to make them openly mutinous.

Your choice is between the low Benson price supports of 1957, or the new low, low Benson price supports of 1958. Which do you think is the worse anti-recession medicine?

If you feel that you are voting against farm surpluses in Government warehouses by voting against this resolution, may I suggest you reconsider. The Government will acquire at least as many if not more dairy products, wheat, and everything else at the new low, low Benson price support 1958 figure than the Government acquired in 1957.

So, do not let anybody fool you into believing that you are voting against food and fiber stockpiles in Government warehouses if you vote against this resolution.

By the way, did you read the interesting stockpile figures that Missouri's STUART SYMINGTON included in the RECORD on March 14 of this year?

Stockpile data on strategic materials and machine tool inventory now in Government storage total \$12.6 billion, and the Kansas City Star says:

The real purpose of this huge expenditure now is to support prices for various industries.

Government food and fiber stockpiles stand at \$5.6 billion plus loan pledges that could run \$1.6 billion maximum.

Yet in many quarters, it is sinful to support food and fiber prices by accumulating stockpiles.

But you are not voting for or against Government stockpiles here. Under the Benson low prices of 1957 or the Benson low, low prices of 1958, you will get Government food and fiber acquisitions.

Now, to those who feel they must vote against this resolution because they believe the phony propaganda that Ezra Benson is riding a big white charger in behalf of lower food prices for consumers, let me say this: Mr. Benson knows that lower farm prices do not bring lower food prices.

Look at the dairy industry. Between 1954 and 1957, milk-support prices went down 13.1 percent; but consumer prices went up 9.3 percent on dairy products.

No one can show that the consumer will save a fraction of a penny on a bottle of milk if you reduce dairy support prices to \$3 a hundred. Sooner or later, the transporters, processors, and distributors will absorb the difference.

If Mr. Benson reduces the price of wheat 22 cents a bushel, it won't affect the price of bread three-tenths of a penny. Wheat is only a small portion of the cost of bread.

And, incidentally, if low food prices are essential to prosperity, this Nation must have been really prosperous in 1932, because food prices were never cheaper than then. If that's the kind of prosperity you want, why don't you get food prices really cheap?

How can a man vote for minimum wages for factory workers and deny them to farmers? How can a man vote for stockpiles of metals and machinery to support industry and decry stockpiles of food and fiber? How can a man plead for antirecession measures in housing, public works, and tax reductions and let Ezra Benson deepen the recession by driving farm purchasing power still lower?

Even in this era of incredible inconsistency, there must be some retribution for such blatant selfishness.

It is pathetic that the Congress must even consider a measure of this kind. All this time, all this effort, all this struggle not to improve the farm situation, not to get something new and better, but just to keep a bad situation from becoming unbearable. But, it must be done, because we have a Secretary of Agriculture who is hopelessly out of tune with the times—even out of tune with the rest of the President's Cabinet.

Almost everybody agrees now that the American economy is in some stage of ill health. And the good doctors are dragging out the antirecession remedies.

Over in the Federal Reserve, they are giving the patient lower bank-reserve requirements, lower rediscount rates, and lower margin requirements for investors.

In housing, they are giving the patient lower downpayments and longer terms. Yesterday, this House rushed through an emergency housing program totaling more than \$1 billion.

The Defense Department is being urged to accelerate military construction. The Corps of Engineers is being urged to accelerate authorized public works.



Obviously, the rising unemployment figures have been the "economic sputnik" that may slowly but surely arouse official Washington to action on the recession front.

But not in the Department of Agriculture.

Over there, for some strange reason, Mr. Benson persists in leading the President 180 degrees in the opposite direction of every other Department of Government. The Benson antirecession remedy is the strangest ever prescribed: Lower farm purchasing power, lower farm wages and profits. Today, we have a chance to call a halt to such folly.

Our votes today will be our individual answers to these questions: Do you want farm wages to go down from 43 cents an hour to 35 cents or 33 cents? Do you want to sell still fewer automobiles, less farm machinery, less steel, and fewer home appliances in rural areas?

If so, vote against this resolution.

But let me repeat: No economy can be really healthy on \$3,000 Chevrolets and \$3 milk. You can't be city-prosperous and country-broke.

Let's call a halt to this Benson madness while there is still some semblance of a foundation left on which to rebuild American agriculture. Let's pass this legislation as a stopgap and then proceed immediately with longer range, more constructive action.

(Mr. BROWN of Missouri asked and was given permission to revise and extend his remarks.)

Mr. JONES of Missouri. Mr. Chairman, I rise in opposition to the pro forma amendment and rise in opposition to the amendment.

Mr. Chairman, I shall take but a minute on this amendment offered by the gentleman from California [Mr. HAGEN]. I think you believe in fairness and equity. All we are attempting in this bill is to preserve and to see that we do not reduce the price supports on acreage allotments of 1957. If you adopt this amendment you would take out those people on the small farms who actually need the help; that is what you will do if you do not vote against the amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. DIXON. Mr. Chairman, I move to strike out the last word and rise in support of the Hagen amendment.

Mr. Chairman, our colleague the gentleman from California [Mr. HAGEN] has pointed out very clearly one of the inconsistencies of this maneuver, Senate Resolution 162—I shall not call it an agriculture bill. His cotton farmers have not had even an opportunity to appear or to plead their case before the great House Committee on Agriculture. This measure has been rushed through. We do not know what we are going into if we pass this measure.

They want the price supports lowered to 60 percent so they save their growing market and sell their cotton as Secretary Benson recommends. They want more acres.

This shows up very plainly the inconsistency in this freeze order, and also why we should have given people such as

those represented by the gentleman from California [Mr. HAGEN] a chance to present their case.

We have the anomaly where the commodities that have received the most help, wheat and cotton, are in the worst condition, and those that are in the best condition receiving almost no help at all. Why cause them still more grief by giving them more of the same thing that is ruining their industry?

With regard to this being more or less a measure to help the farmer, the farmers we want to help the most will receive very little help because three-fifths of all the farmers produce only 9 percent of all our commodities. Ninety-one percent of this aid will go to the big people who do not need it. That is why I say it is a case of the Swiss cheese having the ventilation but the Limburger cheese that needs it.

If we want to do something to help the small farmers we should consider further the proposition advanced by the gentleman from New York [Mr. ANFUSO], the food-stamp plan, or something similar to it. Then we will get rid of our surpluses and help the people who need help.

In that way we will eat up the surpluses and save the farmers market and prices.

If we take a little time, we can bring out something much better than this maneuver which has been rushed to the floor for consideration. We have our committees that have been working and are doing a good job and they will report something much better than this resolution.

Mr. HAGEN. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from California.

Mr. HAGEN. With reference to my amendment, this proposal would continue the minimum acreage allotment for cotton for the year 1959. The effect of my amendment is to strike out 194,000 acres of production which was added by these special provisions. It would tend to refute the possibilities of piling up surpluses.

Mr. DIXON. That would ruin your market like the freeze order would ruin the market in other commodities. If we take a little more time and have confidence in our committees, we might come out with something better.

It reminds me of Mark Twain and Harrison in their "Tramp Abroad." They trained, they bought special shoes, they took special diets, and purchased special clothing for the hike. When they got up at sunrise on the day set to start they felt so fit that they were sorry that they had only one continent to cross. But as they were walking through the park they heard the continental train whistle. They ran and caught the train.

That is what we are doing in our committee. These fine subcommittees were working out something acceptable, but all of a sudden we junk what they are doing and rush into this ill-advised maneuver to put everything in a deep freeze.

Mr. DORN of New York. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from New York.

Mr. DORN of New York. Mr. Chairman, I want to endorse the sentiments as expressed by the gentleman from Utah.

Mr. Chairman, I would like to speak further from the point of view of the city dweller.

Since the enactment of the price support legislation during the New Deal days, the people of my district have literally paid out of their pockets millions of dollars to make sure the farmers of the country received high prices for their produce. The legislation under consideration today would perpetuate this assurance.

While I realize that it is not always possible to measure individual return from a Federal program, I would still like to know that my tax dollars are being spent wisely in promoting the welfare of others. In the case of the farm support program, I have no such assurance.

On the contrary, these farm programs over the years have returned nothing to the taxpayer except higher prices on the food he buys.

A wage-earner making \$6,000 a year, for example, shells out \$11.49 every year to support the price of wheat. In return, he gets nothing except a higher price tag on the bread he buys—roughly \$20 a year higher than otherwise. To support all the agricultural programs, including wheat, he pays out more than \$56 a year. A person making between \$8,000 and \$10,000 a year pays out about \$130 annually for farm support programs and gets higher prices in return.

I would be all for freezing farm price supports at the 1957 level, Mr. Speaker, if we could at the same time freeze the prices the consumer pays in the market place at the 1957 level. Otherwise, I will be forced to vote against this legislation.

(Mr. DORN of New York asked and was given permission to revise and extend his remarks.)

#### LEGISLATIVE PROGRAM

Mr. MARTIN. Mr. Chairman, I move to strike the requisite number of words in order to ask the majority leader what the program for the balance of this week will be and what the program for next week will be.

Mr. McCORMACK. Mr. Chairman, if this bill is disposed of today, we will go over until Monday.

The program for next week follows:

Monday is District Day, but I am informed there are no bills to be called up for consideration.

Then there will be the bill H. R. 11470, the military pay raise bill.

On Tuesday, Wednesday, Thursday, and Friday there will be considered the independent offices appropriation bill, and H. R. 8290, the Freedom Monument matter.

I understand that on Thursday the Labor, Health, Education, and Welfare appropriation bill will be brought up for consideration.

There are the usual reservations that conference reports may be brought up at any time, and any further program will be announced.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?



Mr. MARTIN. I yield to the gentleman from Illinois.

Mr. ARENDS. I spoke to the gentleman from Texas [Mr. KILDAY] about the military pay raise bill that will come up on Monday for general debate.

Mr. McCORMACK. Yes.

Mr. ARENDS. I got the impression from him that we would have general debate only on Monday, and if a rollcall were demanded that would go over until Tuesday.

Mr. McCORMACK. There may have been some talk that if there is a rollcall it will go over until Tuesday. I heard something about that myself, and it is perfectly agreeable to me if it is agreeable to the gentleman from Massachusetts.

We have an appropriation bill coming up on Tuesday, and I think we should go right along with the pay raise bill. Of course, if it is not finished on Monday, it will continue on Tuesday, and the appropriation bill will follow. Is it agreeable to the gentleman from Massachusetts that if there are any rollcalls on Monday they can go over until Tuesday?

Mr. MARTIN. That is all right with me, but I do not think there is any need for a rollcall if we are all in favor of it.

Mr. McCORMACK. I agree with the gentleman.

Mr. BREEDING. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, it is a distinct privilege for me to be here and to join with my distinguished colleagues in support of Senate Joint Resolution 162. I am opposed to the pending amendment because I think it would defeat the purpose of Senate Joint Resolution 162.

Mr. Chairman, I favor strongly the passage of this Senate-approved resolution, Senate Joint Resolution 162, which would have the effect of holding agricultural price-support levels for 1958 at a point no lower than those in operation during 1957. The measure, in addition, would freeze acreage allotments for 1959 at 1958 levels.

I have said repeatedly, Mr. Chairman, that I, as a farm-State representative, want no part of the Secretary of Agriculture sliding scale of parity, particularly when he wants to slide all the way down to 60 percent.

I find it inconceivable, Mr. Chairman, that in the face of an across-the-board economic recession, with which this country is currently plagued, Mr. Benson would want to further squeeze the income of so large a segment of our national economy. I am referring specifically to the Nation's farmer.

Only this very morning, the respected New York Herald Tribune carried a front page story which spotlighted the continuing climb in unemployment figures, and continually climbing living costs.

We must hold the line somewhere, Mr. Speaker. The marginal farmer is being forced off the farm and into the city; people engaged in the basic pursuit of farming are being driven off their farms primarily because of an economic squeeze caused by the heavy prices they are compelled to pay as compared to the light prices they receive. The farmer is buy-

ing his necessities at prices which are approximately 125 to 140 percent of parity, while Secretary Benson, and this administration, advocate dropping agricultural price supports to a low of 60 percent.

It just does not make sense, Mr. Speaker. While the Congress is being deluged with legislative proposals and programs designed to offset this present national economic slump by providing increased purchasing power for the consumer, we, from the farm areas of the country, are being forced to fight not only for increased spending power and income but to keep what we have from being taken away from us.

Permit me to say, Mr. Speaker, that I find the administration's antirecession course of action totally confusing, especially in its approach to the economic relief of our agricultural population. Indeed, there appears to be no farm-relief course of action at all.

The Congress and, I presume, the White House both are considering proposals to expand the highway construction program, to extend jobless benefit payments, to increase local and Federal public works projects, among other emergency programs. The House, only yesterday, passed with extraordinary speed, an almost \$2 billion home-building measure. We are constantly pouring funds into the defense establishment. Yet, when it comes to the farmer, we find Mr. Benson, and this administration, standing firm in their resolve to cut the farmer's income by lowering price supports 15 percent below its present base level.

I would say, let's approve this temporary hold-the-line resolution until we can devise a better method for relieving the economic plight of the farmer.

Further I would like to say, it has been mentioned here today that this resolution, if adopted, would guarantee the wheat farmers of America \$222 million more income. For the life of me I cannot see how anyone who lives in a wheat area would not support such a resolution, especially because of the fact that for 5 long years we have been going down with the price of wheat. Certainly we cannot go any further.

Mr. ANDERSON of Montana. Mr. Chairman, will the gentleman yield?

Mr. BREEDING. I yield to the gentleman.

Mr. ANDERSON of Montana. Mr. Chairman, I want to compliment the gentleman from Kansas [Mr. BREEDING] on the fine way in which he is representing the people of his great wheat-growing district. I want to associate myself with him in his remarks in view of the fact that the gentleman from Kansas represents the only other district in the United States that can compare with my own eastern district of Montana in wheat acreage. Today and every day the gentleman from Kansas [Mr. BREEDING] is doing a great job for Kansas.

I would like to suggest to those who are saying that we should not approve this resolution because of a possible Presidential veto, that if the commentators have correctly reported certain Repub-

lican conferences then the gentlemen on the other side of the aisle themselves expect that after the people get through expressing their opinion of Benson and the Republican farm policy at the polls in 1960 they will probably have enough votes to override the President's veto.

Mr. BREEDING. Mr. Chairman, I thank the gentleman.

(Mr. BREEDING asked and was given permission to revise and extend his remarks.)

(Mrs. PFOST asked and was given permission to extend her remarks at this point in the RECORD.)

Mrs. PFOST. Mr. Chairman, I have asked for this time to call to the attention of some of the Members facts which they may be overlooking in the debate on the resolution to freeze farm price supports and acreage allotments at 1957 levels.

Some Members representing urban areas seem concerned that freezing price supports might raise the price of food to the consumers. This, of course, is not the case.

The cost of food is up almost 2 percent over 1952—but farm income is down 20 percent. Any increases in the cost of food have not been going into the farmer's pockets—you may be sure of that.

The farmer's share of the food dollar has been dropping steadily. It was 47 percent in 1952, and it is down now to 39 percent. The packers, the processors, and the chain retailers get most of the rest of that dollar. Even they have ceased to try to blame the farmers for high food costs.

Some of them have been making stratospheric profits.

Borden Co., for example, reported profits, after taxes, of \$17.6 million in 1952; in 1956, the company made \$23.6 million. This is a \$6 million increase in 4 years—in other words, an increase of 33.8 percent.

Yet in the 2 years following Secretary of Agriculture Benson's order dropping dairy price supports from 90 to 75 percent of parity—that is, between April 1, 1954, and April 1, 1956, milk producers in my State of Idaho lost \$14 million. In addition, the value of dairy cows in the State declined about \$18 million.

In 1956, National Dairy Products Corp. reported a profit of \$41.7 million—a 50 percent increase over 1952.

In the same year, Beatrice Foods Co. reported a profit of \$7.7 million—an 83 percent increase over 1952.

Meatpackers were doing as well—or better—during the same period.

The Cudahy Packing Co., as a sample, reported a \$7 million loss in 1952, but a \$6.1 million profit in 1956—an increase of 186 percent.

Armour & Co. made \$7.1 million in 1952 and \$14.6 million in 1956.

Safeway's profits rose from \$7.3 million in 1952 to \$25.4 million in 1956—a 246 percent increase.

Mr. Speaker, the plain fact is that the higher prices the consumers have been paying recently have no relation to what the farmer has been getting for his product. Freezing farm price supports at the 1957 levels will not cost the consumers one single extra penny.



The truth of the matter is that the man on the farm and the worker in the city are mutually dependent one upon the other for their economic well-being. The city dweller has just as great a stake in the bill before us today as the farmer has.

When farm prices drop, and the farmer's buying power is reduced, unemployment lines begin to grow in the factory cities. Farmers are a larger user of steel than the automobile industry. Dairy farmers buy more wheel machinery, than any other segment of the American economy. This means that when farm buying power goes down it hits jobs in the cities producing trucks, tractors, automobiles, corrugators, rakes, binders, bailers, and so forth.

When farm income goes down too far, those unemployment lines begin to fill up with people from all types of trades and services. And soon the retail stores—and particularly the small ones—advertise bankruptcy sales, and their doors go dark.

There is no doubt but that the present recession is farm fed and farm led. One of the best ways to check the downward trend is to at least keep farm price supports at their present levels—a still better way would be to increase them.

Mr. POAGE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hope we can dispose of the Hagen amendment by sending it to the burial to which it is entitled. I recognize that at times it becomes the duty of any Representative to represent his own area and his own State even to a point beyond his own wishes. I regret that our colleague on the committee has felt that his obligation required him, in doing that, to do an injustice to such a large and such a helpless group of individuals.

About 2 years ago the Congress established 100,000 acres of cotton above and beyond the national allotment. It is not a part of the national allotment. It was never allotted to any State in the Union and it should not be allotted to any State in the Union. It was provided to take care of those very small farmers who have less than 4 acres of cotton allotted to them. Very few of them are in my area. Most of them lie east of the Mississippi River. Most of them are in the area where those 4 acres of cotton are the chief item of income for a whole family. This amounts to \$400 or \$500, maybe \$600 or \$700; \$600 or \$700 at most total cash income of that family.

We tried to say that those people who had that very small allotment should not be cut down to 3 or to 2½ acres. That is what these 100,000 acres were for. That is what the gentleman from California [Mr. HAGEN] would destroy with his amendment.

He told you so when he answered the question of the chairman of the committee. He calls them "inefficient" farmers. Doubtless they are inefficient. Who is not inefficient who is in that degree of poverty? Do you find the most efficient workmen, the most efficient artisans, doing the least desirable jobs in

your great cities? Do you find the most efficient employed in the low-paid industries of your cities?

Mr. HAGEN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from California.

Mr. HAGEN. Let me give the gentleman an illustration: He admits the farmer with 5 acres of cotton is virtually in the same position as the farmer with 4 acres of cotton. By giving this 4-acre farmer a special allotment you are penalizing that man with 5 acres, because it means his right to produce is limited that many years more because you are adding to the surplus every acre you add to the national acreage allotment.

Mr. POAGE. The gentleman has misunderstood the whole purpose of the 100,000 acres. We gave the 100,000 acres over and above the national allotment for doing exactly the thing the gentleman has pointed out. Had we taken it away from these farmers of more than 5 acres he would have been correct, but we did not do that. We did not take this 100,000 acres from any State and we never gave them to any State. This 100,000 acres of cotton has been used for the last 2 years to help the people who need help the most, the least opulent farmers in the United States.

Does the gentleman want to be guilty of contributing to taking away the little bit that those poor people have? I am talking to you on my side of the aisle. I heard the laughs, I heard the sneers, I heard the handclapping on the other side of the aisle. I know how some other people have decided to vote. I hope they may change their minds. But I am talking to you who want to do justice to all groups of farmers. Take this proposition. Read it. It proposes to strike out the continuation of three provisions, the first of which gives us this 100,000 for the small farmers. The next says that no State shall be cut below 99 percent of its cotton base and below 85 percent in the case of rice. This amendment would simply take these acres from the small farmers of the Southeast and move them to the large farmers of the Southwest.

Mr. MORRIS. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MORRIS. Mr. Chairman, I rise without any bitterness or rancor of any kind. I should like to give you some facts here that I believe are correct, for your consideration. These facts were presented in a booklet by Mr. Z. H. Lawter, secretary of the Oklahoma Farmers Union. He calls them verified facts. This is what he says, among other things.

In speaking of subsidies, that the Government losses for manufacturers' subsidies from 1933 to 1955 were \$40.8 billions. Government losses to shipping and airline subsidies, 1933 to 1955, were \$5 billion. Government losses for the

farm price-support program from 1933 to 1955 were \$1.2 billion.

In addition to the above he stated "many other industries and businesses were also subsidized." He gives his source here as the CONGRESSIONAL RECORD, January 12, 1956, page 403. Then he adds that when total subsidies to all groups are considered over the past 50 years only \$5 out of each \$1,000 has gone to the farmer.

I do not know that those figures are correct. You can check and see whether or not they are, but I believe they are correct, and I feel certain they are substantially correct.

I am not against these subsidies myself. I want to see all of America prosperous. I am not against any fair tariff. I am glad our manufacturers in this country have a tariff to protect them and those to whom they give employment. I want to see the great industrial East prosperous. I do truly and sincerely. I want to see all of our country prosperous. But it does seem to me, and I ask you this question in all sincerity, as I say, without any bitterness, without any rancor, without any partisanship of any kind, do you not think it is sort of lopsided that the manufacturers during the period mentioned received \$40.8 billion, to support their prices, and the farmers only \$1.2 billion. Do you not think that was a little bit unfair to the farmers to start with?

If this resolution is not passed, the farmer is going to take it on the chin further. Do we not all remember that when the great depression came on us in the early thirties it started on the farm? Low farm prices. All right, we are in a recession now. Let us not call it a depression. And, I certainly do not want to make it appear any worse than it is. I am not going to add to it by any intentional psychological move myself. I do not want to talk about it any more than necessary. I want us to act and help stop it. I think it is the duty of all of us to try to our very utmost to stop it. I am afraid, if we do not pass this measure, and some other measures as well, we are going to go right back into a serious depression.

Mr. COOLEY. Mr. Chairman, will the gentleman yield for a question?

Mr. MORRIS. I yield.

Mr. COOLEY. With reference to the pending amendment, upon which we are now about to vote, the clear purpose of the amendment is to take this acreage away from the little cotton farmer and give it to the big one; is it not?

Mr. MORRIS. That is exactly the way I view it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. HAGEN].

The question was taken; and on a division (demanded by Mr. HAGEN of California), there were—ayes, 41; noes, 99.

So the amendment was rejected.

Mr. TEWES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TEWES of Wisconsin: Strike out all of the resolution beginning on line 3, page 1, and substitute



therefor the following: "That in order to prevent reductions in support prices for dairy products prior to consideration by Congress of such changes in the price-support laws as may be necessary at this time

"(1) the support price (in terms of dollars and cents) for dairy products shall not be less than that available for such commodity during the marketing year or season which began in 1957.

"The resolution shall be effective only for the marketing year which begins in 1958, or until repealed, whichever date is earlier.

"Amend the title so as to read: Joint resolution to stay temporarily any reduction in support prices for dairy products."

(Mr. TEWES asked and was given permission to revise and extend his remarks.)

Mr. TEWES. Mr. Chairman, the significance of this amendment is that it strikes from the bill all commodities except dairying. I stand before you as one who believes that our present farm-support programs are not the answer to the problems of agriculture. I stand before you representing farmers from a great dairy State who, by and large, believe the same thing. We have demonstrated on many occasions our willingness to solve our own problems. We have pending before this Congress permanent legislation, self-help in nature, which would go a long way toward taking the Government out of dairying. My purpose now is to ask for a temporary extension of the present program, until we can pass such self-help measures. The dairy industry is in difficulty and presents us with sociological as well as economic problems. Let me give you one illustration. Fifty percent of the farmers nationwide produce something like 10 percent of all the food. The dairy industry has succeeded in reducing its surplus well below that of any other commodity. But we still have a 5-percent surplus. Twenty-five percent of the existing dairy farmers would probably be forced out of business at once, if we were suddenly to equate supply and demand. This would hit Wisconsin particularly hard because much of our milk is in the surplus category. Not all of this is our fault. Other States have deliberately forced us to bury our surplus by ringing their States with laws intended to protect their own farmers. It is these hardships which compel us to seek a little more time.

It has been said here that to vote against temporary extension of the dairy supports will benefit the consumer. If this measure is defeated, the price of milk will drop one-half penny a quart.

Is there any man in the House who believes that that half cent will be passed on to the consumer?

It has been intimated that this freeze is a freeze at a luxury price to the farmer. The very opposite is true. At \$3.25 a hundredweight farmers are going out of business in Wisconsin. We are asking nothing, except that we be given an opportunity to meet the economic changes in an orderly fashion.

I realize that with this amendment I am intruding on one of the accepted traditions of this body. It has been said that the omnibus approach, lumping together all the commodities, is the way to succeed in the House. I do not agree although my small experience makes my

statement presumptuous. I have every confidence that this House, will act fairly in the case of all these commodities if they are presented one commodity at a time.

The dairy farmers are in difficulty. They have a just request. If their case is presented to the Members here I am sure they can have the relief they require.

Actually an analysis of this measure indicates quite clearly that this is really a cotton bill. Dairying is in trouble; dairying needs help on the first of April. In order to provide such help for a legitimate cause, we must accept questionable provisions for cotton, which has no urgent necessity at all.

Therein lies the difficulty of commodity approach; therein lies the patent unfairness of the omnibus approach. We find ourselves forced to accept legislation which covers many other commodities and programs which have no relationship to the urgent matters which require our attention. This is in no sense of the word an effort to pit commodity against commodity; it is an attempt to do our legislating free of extraneous pressures and in a way which my constituents expect. What are the problems of dairying? What are the problems of cotton? What are the problems of wheat? I think it is wise for the House to attack these problems singly. My amendment is such an attempt. I urge its adoption.

Mr. TALLE. Mr. Chairman, will the gentleman yield?

Mr. TEWES. I yield to the gentleman from Iowa.

Mr. TALLE. I commend the gentleman from Wisconsin for his interest in the dairy industry.

For several years the dairy people have made a tremendous effort to solve their own problems. They have willingly taxed themselves in a self-help effort to put their industry on a sound basis. They have come a long way and, if given a little more time, I am convinced they will be able to go it alone without further Federal supports.

But we should not pull the rug out from under them at this time. I am afraid that if we lower the minimum support price for dairy products, it is likely that the minimum will become the maximum and will force the dairy people to make additional adjustments which they should not be expected to make now. It seems to me we should keep faith with these people and give them the additional time they will need to establish firmly their self-help programs.

For that reason I am glad to support this amendment. I cannot support the bill as reported by the committee because I am convinced it goes too far and will not help farmers, but will aggravate farm problems by creating greater surpluses and further threaten the prices of farm products.

(Mr. TALLE asked and was given permission to revise and extend his remarks.)

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 5 minutes.

Mr. BENTLEY. I object.

Mr. COOLEY. Mr. Chairman, I modify my request and ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The Chair has noted the names of the Members standing and will divide the time accordingly.

The gentleman from Michigan [Mr. HOFFMAN] is recognized.

Mr. HOFFMAN. Mr. Chairman, I yield back my time.

The CHAIRMAN. The gentleman from Michigan [Mr. BENTLEY] is recognized.

(Mr. BENTLEY asked and was given permission to revise and extend his remarks.)

Mr. BENTLEY. Mr. Chairman, I rise in support of the amendment. At the same time I rise to ask the leadership of the committee a question.

We heard the gentleman from Texas say a short time ago that we should all represent the feelings of the people in our districts regarding this situation.

Recently I sent out a questionnaire regarding the farm situation, with the following result: Of the 19,500 questionnaires which were returned there were 3,155 from farmers; 14.7 percent voted to raise supports; 18.2 percent voted to continue flexible supports; 46.9 percent voted to drop all supports and controls.

I might add that that is only the farm vote. The total vote on that questionnaire in the matter of dropping all supports and controls was 59 percent.

Now, I ask the gentleman in all fairness if I am to represent the interests of my district how I should vote on Senate Joint Resolution 162.

Mr. BASS of Tennessee. The gentleman should vote against the amendment, according to your survey.

Mr. BENTLEY. But how should I vote on the resolution?

Mr. BASS of Tennessee. The gentleman should vote for it on final passage.

Mr. BENTLEY. I am asking about final passage.

Mr. POAGE. You vote as you please on final passage.

Mr. BENTLEY. Mr. Chairman, we have before us Senate Joint Resolution 162, a bill to stay any reduction in support prices on acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws.

Farm commodities grown in the Eighth District of Michigan, which I have the honor to represent in Congress, and which are under price-support programs, include corn, wheat, honey, dairy products—manufacturing milk and butterfat, wool, dry edible beans, and other nonbasic commodities. The Department of Agriculture has announced the following 1958 price-support levels for these commodities as compared with effective 1957 price-support levels:

First. Corn supported in 1957 at 77 percent of parity or \$1.40 per bushel; 1958 price not announced.

Second. Wheat supported in 1957 at 79 percent of parity or \$2 per bushel;



1958 supports at 75 percent of parity or \$1.78 per bushel.

Third. Honey supported in 1957 at 70 percent of parity or 97 cents per pound; 1958 support level unchanged, price to be 96 cents per pound.

Fourth. Manufacturing milk supported in 1957 at 82 percent of parity or \$3.25 per hundredweight; 1958 supports at 75 percent of parity or \$3.03 per hundredweight.

Fifth. Butterfat supported in 1957 at 79 percent of parity or 59 cents per pound; 1958 supports at 75 percent or 56 cents per pound.

Sixth. Wool supported in 1957 at 101 percent of parity or 62 cents per pound; 1958 supports at 95 percent of parity or 62 cents per pound.

Seventh. Dry edible beans supported in 1957 at 68 percent of parity or \$6.31 per hundredweight; 1958 supports at 68 percent of parity or \$6.18 per hundredweight.

It can be seen, Mr. Chairman, that the Department's announced price-support reductions would have greatest effect on dairy supports and this is admitted in the committee report, since dairying is the most important farm industry in my district and indeed in the whole State of Michigan, it is natural that I should have received the largest amount of correspondence on this subject.

At this point, Mr. Chairman, I should like to read the text of a telegram dated March 18 which I have received from Glenn Lake, president of the Michigan Milk Producers Federation, and a letter under similar date from the Michigan Dairy Farmers Federation. They read as follows:

MARCH 18, 1958.

Congressman ALVIN M. BENTLEY,  
House Office Building,  
Washington, D. C.:

Some time ago we either visited or wrote you on the matter of continuing dairy price supports at present levels for another year. The Senate has approved a resolution that would freeze the price levels on all agricultural commodities at the 1957 support levels. This resolution provides for the maintenance of a \$3.25 milk price level for another year. While this resolution includes all other agricultural products it is apparent that this is the only vehicle by which dairy supports can be continued at present levels.

Therefore we urge your support of the bill as was passed by the Senate. It is evident that the administration and the Congress is deeply concerned about the present economic status of the entire country. We remind you that this condition to a large extent is caused by the fact that farmers' purchasing power has been forced downward. The administration and the Congress seem to be grasping frantically for means to bolster a sagging economy. We believe that Congress can make a sincere contribution toward solving this problem by stabilizing farm prices at 1957 levels for the year 1958.

In years past farmers could turn to other employment to supplement their income. Due to the present high level of unemployment this is impossible. This makes it imperative that the dairy farmers' income be maintained by last year's level. Therefore, we again strongly urge you to vote for passage of the resolution passed by the Senate.

GLENN LAKE,  
President, Michigan Milk Producers  
Association.

MARCH 18, 1958.

Hon. ALVIN M. BENTLEY,  
House of Representatives,  
Washington, D. C.

DEAR MR. BENTLEY: The following resolution was approved by a tremendous majority of our federation last week. It reads as follows:

"The member cooperatives of the Michigan Dairy Farmers Federation, representing over 35,000 Michigan dairy farmers, view with disapproval the decision of Secretary of Agriculture Benson to reduce price supports to 75 percent of parity on April 1, 1958.

"This reduction will cost Michigan dairy farmers over \$13 million per year in reduced prices for their milk. We maintain that such a reduction should not come about in view of the recognized low returns to dairy farmers for work and investment during the past 2 years. Especially now, the Nation needs the stabilizing effect which a prosperous dairy industry exercises throughout our economy.

"We urge that the Congress continue dairy price supports at the level of \$3.25 per hundredweight for the year beginning April 1, 1958. This will give Congress and the industry time to place a program in operation which will provide adequate supports in line with dairy costs and which will result in dairy farm incomes comparable to the incomes of other groups in our economy."

Our federation, which acts as a spokesman on legislative affairs for, by far the big majority of Michigan dairy farmers, wholeheartedly urges your support in maintaining present dairy price supports and a favorable vote for that bill which is now in Congress.

Very truly yours,

DWIGHT A. SNYDER,  
Secretary, Michigan Dairy Farmers  
Federation.

It will be seen that the Michigan Milk Producers Federation supports Senate Joint Resolution 162 as the only vehicle by which dairy supports can be continued at present levels. I have already committed myself to support legislation which would accomplish this fact. The letter from the Michigan Dairy Farmers Federation does not refer to Senate Joint Resolution 162 but urges my support for a freezing of dairy support levels.

On the other hand, I have been personally contacted by the Michigan Farm Bureau and urged to vote against Senate Joint Resolution 162. I have also individual communications from farm bureau members in my district in the same sense although they do not begin to approach the number of letters from dairy farmers urging me to support a freeze on dairy support levels.

Since most of my dairy farmers, Mr. Chairman, produce for the Detroit shed and under a Federal milk marketing order, I do not believe that the announced drop in price supports will have the serious effect upon them which they have been led to believe. Nevertheless, there is bound to be some effect upon their cash income if the supports are lowered to 75 percent of parity, effective April 1.

Over the last few years, Mr. Chairman, I have been conducting an annual poll of my constituents to determine their opinions on important issues of the day, among which the farm issue has naturally been included. The committee might be interested in the following results on this issue from my recent

questionnaire whose answers have just been released:

The best way to help the farmers would be:

- (a) Raise supports to 100 percent of parity with tight production controls, 6.5 percent.
- (b) Continue flexible supports, 19.4 percent.
- (c) Increase Soil Bank payments, 6 percent.
- (d) Drop all supports and controls and return to free production in accord with supply and demand, 59 percent.
- (e) Other, 3.4 percent.
- (f) Don't know, 6.1 percent.

Of the 19,500 questionnaires which were returned, there were 3,155 from farmers. Let us see how they voted on this issue:

- (a) Raise supports, 14.7 percent.
- (b) Continue flexible supports, 18.2 percent.
- (c) Increase Soil Bank payments, 13.8 percent.
- (d) Drop all supports and controls, 46.9 percent.
- (e) Other, 6.3 percent.

To me, Mr. Chairman, this is clear evidence that both the majority of my constituents and the largest group of my farmers do not want either a return to high price supports or a continuation of flexible supports. Rather, they want to get the Government completely out of the farm program and let the farmer alone to operate freely and without restriction as he sees fit.

That being the case, I am frankly at somewhat of a loss as to how to vote on Senate Joint Resolution 162. To complicate matters further, the chances are that this legislation will be vetoed by the President if it reaches him in this form and that, to judge from the vote when it passed the Senate last week, the veto will be upheld. That will mean that the Department's announced price support changes will remain in effect.

If there is any opportunity to vote for a motion to strike out all parts of this bill except that relating to dairy products I certainly intend to vote for it. Not only have I committed myself to such a vote but the hardships being undergone by the dairy farmers are very real and I am opposed to any bill which might lower their income at present. Further, the dairy industry, through its self-help program, is making a real attempt to get the Government out of its own program and to allow its members to solve their own problems. I feel that they should be given this opportunity.

Neither a vote for or against Senate Joint Resolution 162 would solve my problem of trying to get the Government out of farming. A 1-year freeze on supports, such as envisaged by the pending legislation, is no step toward getting the Government out of the farm program, even though the supporters of Senate Joint Resolution 162 claim that it is a temporary measure designed to prevent further deterioration of our farm economy while long-range programs can be studied.

The freezing of acreage allotments at 1957 figures is also certainly no answer to our continued problem of agricultural overproduction.



The lowering of supports under the administration's flexible program is likewise no real progress toward getting the Government out of farming. To the best of my knowledge, neither the administration or the Farm Bureau programs contemplate an eventual elimination of all price supports. There is, therefore, no reason to support a flexible program in the hope of eventually eliminating all supports thereby. Although the passage of Senate Joint Resolution 162 would keep dairy support prices at present levels, it would also keep feed-grain costs at present levels. This is another reason why the legislation does not appeal to me.

A final factor which must be remembered, however, Mr. Chairman, is that we are in the midst of serious economic problems. Many farmers who have gone to work in the cities have now been forced to leave their jobs, because of low seniority, and to return to the farms which they originally left because of low income. Further, it should be remembered that the Congress and the administration are taking action to assist other distressed parts of our economy, such as accelerated civilian and military construction programs. It hardly appears to be the time to take action which would lower farm prices even though it would in the long run strengthen prices in the market.

To sum it up, Mr. Chairman, I do not support an indiscriminate freeze of price supports and acreage allotments on all supported commodities. I regard Senate Joint Resolution 162 as nothing but a shoddy attempt to play politics at the expense of the farmer. If, after 4 years, the best that the Democrats in control of Congress can come up with is to freeze all support programs, they have certainly failed miserably to supply any answer to the farm problem. But, on the other hand, the administration's farm program of flexible supports has certainly provided no answer either. I am sure that I echo the sentiments of many of my colleagues who would like the Government entirely out of the farming picture when I say that the pending legislation does not offer us anything except a choice between two thoroughly undesirable alternatives, neither of which I believe to be in the best interests of the farmer or the American public as a whole.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Chairman, I have been around here a little while, about 16 years. I have seen a few selfish things take place in the House. They do not appear often but they do happen, occasionally. Sometimes they are excusable. We can excuse a new Member, like the gentleman from Wisconsin, who probably is not as experienced as some of us, for offering this kind of an amendment. Even so, it really shocked me, it was amazing, that he would ask this House, that he would be so selfish as to ask this House to look after him and his farmers only and let the rest of American agriculture continue to feel the shock of the decline. Other farmers have homes and children

too, you know. They grow wheat, corn, cotton, rye, barley, rice and so on. I just happen to feel that all farmers should have comparable treatment. Possibly after the gentleman has been around a little longer his vision will broaden and he will be able to see beyond his own little world.

I happen to serve as chairman of the Dairy subcommittee, of which the gentleman is a member. I have a little dairying in my district. As compared with the gentleman's district, I do not have too much. In any event, I have done my best to assist the gentleman and his troubled farmers. Although dairying is not as prominent in my district as in his I would never permit myself to take a stand against his dairy farmers just because dairying may not be as prominent in my district as is some other type of agriculture. I have never discriminated between farmers. I endeavor to treat them all alike. I have visited in the gentleman's great state and found his farmers to be very much like those in other sections of the country. They are fair minded. They don't want special treatment. The gentleman has made a most unfortunate mistake which I am sure we can all overlook and attribute to his inexperience. I am sure he would not want special treatment for his farmers and permit all others to suffer further decline in income.

Mr. TEWES. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Wisconsin.

Mr. TEWES. That is exactly what the gentleman is doing with this bill.

Mr. ABERNETHY. Let us see where the gentleman stood in committee. The gentleman offered this same amendment in the committee. There are 34 members of that committee, 19 Democrats and 15 Republicans. Does the gentleman wish for me to tell the House what the vote was on the identical amendment which he submitted to the full committee in executive session? Under committee rules I do not think I can reveal that without the gentleman's permission.

Mr. TEWES. Yes. State how many voted for the amendment.

Mr. ABERNETHY. The gentleman's amendment received 3 votes, 1 of which was his own, on our 34-member committee. He did not even make a good showing on his own side, the Republican side of the committee. It amazes me that after suffering such an embarrassing defeat in the committee he would offer it again.

I am sure the gentleman wishes to build good will for his dairy farmers among all other farmers of the Nation. He has made an unfortunate mistake. But let us not hold it against him or his distressed dairy farmers. Let us just vote the amendment down, which I am confident the House will do, and get on with the bill.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Wisconsin [Mr. TEWES].

I would like an opportunity to vote for a temporary extension of 1957 dairy-price supports, but I cannot support a measure which has little chance of becoming law and continues rigid high-price supports generally. That would be a step backward in the direction of socializing agriculture which this administration is trying to get away from.

I hope the amendment offered by the gentleman from Wisconsin will be adopted.

(Mr. MEADER asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Chairman, if there is any part of the pending resolution that could possibly be considered in any respect political, it is the section with which we are now dealing. Secretary Benson will lower price supports for dairy products on April 1 if he is not prevented from doing so. This is an effort to stop Benson and force him to either rescind the order which he is about to put into effect or make it unlawful for him to do so. Of course, I realize that this, at the same time, is an effort to protect the income of dairy farmers. If you want to repudiate Mr. Benson here is your opportunity to do so. I certainly have no objection to your repudiating Benson, but I do not intend to help you repudiate Mr. Benson in this fashion. I am willing to repudiate Benson but I want to repudiate him in more than one way. I want you to know just what you are about to do. You Republicans must now make a difficult decision. You either approve what Mr. Benson proposes to do or you do not approve of his proposal. You must follow him or repudiate his leadership. Here is your chance and here the record must be written. Next fall you will try to hold Mr. Benson in one hand and the dairy farmers' vote in the other hand, and this, too, will be a very difficult task. Dairy farmers know that Mr. Benson is not their friend, nor is he the friend of any of the farmers of our country other than the producers of sugar beets and wool, the two great crops of his own area of the country. He is willing to subsidize wool producers and he is willing to provide high-support prices for sugar beets but he is apparently willing to drive the income of other producers to disastrously low levels. Many of our farmers are now on the brink of bankruptcy and hundreds of thousands of our farmers are being forced off the land. We are here trying to stop Benson in his efforts to drive little farmers into bankruptcy.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. TEWES].

The question was taken; and on a division (demanded by Mr. TEWES), there were—ayes 94; noes 132.

So the amendment was rejected.

Mr. GUBSER. Mr. Chairman, I move to strike out the last word.

(Mr. GUBSER asked and was given permission to revise and extend his remarks.)



Mr. GUBSER. Mr. Chairman, I realize that the hour is getting late. But I believe I have not imposed myself upon this House too much or taken the well on too many occasions. Certainly I have never done so unless I felt very deeply on a subject, and I certainly do feel very deeply that this resolution should be defeated.

I could speak to you as the Representative in Congress of the 15th ranking county of the United States in agricultural production. But I would rather speak to you as a farmer. And let me say, and I say it proudly, a dirt farmer, a working farmer, one who still knows how to harness up a team of horses and one who can operate and repair any piece of farm machinery in the world if you will just give me enough baling wire. I say I am a third generation working dirt farmer, and I would like to speak to you today as a Representative of a farming community.

I think the issue here today is whether or not the Secretary of Agriculture will be allowed to continue his progress toward creating a free farm economy or will his hands be tied? Will we get further away from the Democratic policy of high fixed-price supports and get closer to the Republican policy of a free farm economy?

Here is what the farmers in my district think—and I concur in that thinking. We do not feel that high fixed price supports ever created farm prosperity. We feel instead that wars did it, World War II and Korea. We do not want to be wards of the Government. We are farmers because we like to be free; we like to get out in the open, and we do not like to be confined within four walls of a room. Because we are that way by nature we like to be free from Government regulation.

We believe that good farmers can compete and thrive without Government interference. We do not believe that the Government has an obligation to keep the marginal and inefficient farmer in business. It is true that costs have gone up to the farmer while his prices have gone down. But there is one further and important point that is very often overlooked. The farmer's productive capacity, if he is a good farmer on good land has also gone up. Permit me to use a personal example.

A few years ago, when my dad farmed, 8 tons to the acre was a good crop of tomatoes. Today I am farming the very same, identical land, and the last crop I produced was 28 tons to the acre. How was it done? Because we have learned the value of deep tillage and the increased water penetration we get from it; because we developed new seeds which are early bearing and which are disease resistant. We have learned that instead of planting tomatoes 6 by 6 feet with a plant population per acre of 1,210, 4,800 will give us a better crop. We have learned better irrigation practices. We have learned to fertilize, to use insecticides, and pesticides.

Had I rejected these new methods, I could not produce 28 tons of tomatoes on the same land on which my father produced 8 tons. So the farmer's produc-

tive capacity has gone up if he is a good farmer and on good land and if he will use modern techniques.

One other thing. We believe in my district that the Democratic farm policy of high, fixed price supports has created the corporation farmer. Let me develop that thought for you. Let us take an example in a nonagricultural endeavor. Let us take an earth-moving contractor. A few years back he could use a small TD-6 tractor or a D-2 and he could economically operate. Today he has to use a D-8 or TD-24 which costs 10 times as much money but moves 20 times as much dirt.

The same is true of a farmer. With high, fixed price supports, we have guaranteed a price to the farmer and we have attracted the doctor, the lawyer, the investment banker into the farming business. They can afford to buy the TD-24's and the D-8's and the little farmer cannot.

We have forced the little farmer today to compete in a world of big business he is not capable of competing in. I say, let us send the Wall Street investment brokers back to Wall Street, let us cut out some of the high price supports of the Democratic years, and let the real farmers farm.

(Mr. COOLEY asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. COOLEY. Mr. Chairman, in this debate it might be well to take a moment to review the miracles of production that have been accomplished by our farmers, in the immediate years within our memory. And then we may want to ask a question.

The accomplishments of our farmers are almost unbelievable. They are fabulous.

Crop production per acre in 1957 was 40 percent above the 1935-39 average.

Total man-hours of labor used for farm work declined by 34 percent in this 20-year period; yet greater and greater abundance has come from our fertile lands.

Output per man-hour of farm labor has increased by 217 percent.

The number of consumers supported by 1 farmworker has doubled, from 10 in the 1930's to more than 20 today.

Further comparing the efficiency of agriculture with 1935-39, we find:

Cotton production per acre up from 226 pounds to 390 pounds in 1957—1956 production was 409 pounds per acre.

Tobacco, up from 883 pounds to 1,496.

Corn, as an average for the Nation, up from 25 bushels per acre to 57.

Wheat, up from 13 bushels to 22.

Peanuts, up from 746 pounds to 968.

Eggs per hen, up from 128 to 198.

Milk per cow, up from 4,403 pounds to 6,162.

Few people have little, if any, concept of the production—the efficiency—revolution that has occurred on our farms in the last few years.

Listen to these facts and figures. They are from the Farm Economics Research Division of the Agricultural Research Service, Department of Agriculture. They show what has been accomplished in the feeding of animals and poultry

between the period covering 1940-42 to 1953-55. This report reduces all feed units, including pasture, to a corn equivalent.

To produce 100 pounds net live weight of cattle and calves required 1,014 pounds of feed in 1940-42, but only 899 pounds in 1953-55, a reduction of 13 percent; production of 100 pounds of sheep and lambs required 1,996 pounds of feed in 1940-42, but only 1,410 in 1953-55, down 42 percent; and in this same period of time the feed required for the production of 100 eggs dropped from 63 pounds to 56, down 13 percent; production of 100 pounds of broilers, from 479 pounds to 336, down 43 percent; 100 pounds of turkeys, from 704 pounds to 549, down 28 percent; 100 pounds of hogs, from 530 pounds to 515, down 3 percent; production of 100 pounds of milk, from 110 pounds of feed to 105, down 5 percent.

Now, the one question that overshadows all other consideration is this: For providing this Nation this horn of plenty—this cornucopia—for building this base for an American standard of living that is the envy of the world, what has been the reward to the farmer and his family?

No pride may be found in the answer.

For, during the recent years of their greatest accomplishment—in the times of their great contribution to the strength of the Nation—the rewards to the farmer and his family, for their intelligence, diligence, and labor, has constantly declined.

Moreover, the farmer has been subjected to false and shameful propaganda that has carried to the public an impression that he is a ward of the Government, that he has sold his liberty for a Government check. Some of the people whose responsibility it is to fight the battles for agriculture actually have sought to set our farmers adrift in the economic stream, alone, without power to produce and price themselves into a fair relationship with the other great segments of our free enterprise society which already enjoy tariff, minimum wage, collective bargaining, and the benefits of many other laws that soften the harshest impacts of unrestrained competition.

#### Facts and figures

##### CCC PRICE SUPPORT LOSSES

As of Jan. 1, 1953-----	\$1,064,617,225
As of Jan. 1, 1958-----	5,173,746,788

(NOTE.—The losses in 5 years, from January 1953 through 1957, were four times the total of losses during the previous 20-year history of CCC price-support operations.)

20-year loss (1933-52)-----	\$1,064,617,225
Loss (1953 through 1957)---	4,109,129,563

##### CCC OPERATIONS IN BASIC CROPS ONLY (COTTON, WHEAT, TOBACCO, CORN, RICE, AND PEANUTS)

Jan. 1, 1953 (at the end of 20 years) profit-----	\$13,011,290
Jan. 1, 1957 (4 years later) loss-----	1,992,067,863

(NOTE.—A \$13,011,290 profit over a 20-year period of CCC price supports on the basics turn into an \$8 million loss within 4 months after Mr. Benson took office. In 5 years under Mr. Benson losses on the basics amounted to \$2,005,079,153 compared to the



\$13 million plus profit in the previous 20 years.)

(NOTE.—The CCC support program for cotton, over 20 years, showed a profit of over \$268 million. But this profit has been wiped out, by a cotton program loss of over \$700 million in the last 2 years.)

#### Losses on dairy products

Up to Jan. 1, 1953..... \$121, 523, 383  
Since Jan. 1, 1953, to Jan.  
1, 1958..... 1, 441, 467, 309

Dairy program total..... 1, 562, 990, 692

#### CCC investments

Total CCC investments (in-  
ventory and loans) as of  
Jan. 1, 1953..... \$2, 452, 000, 000

Total CCC investments (in-  
ventory and loans) as of  
Jan. 1, 1958..... 7, 200, 000, 000

Total increase in 5  
years..... 4, 748, 000, 000

#### CCC investments in major crops

(Inventory and loans)

Crop	Amount	Value
Cotton:		
Jan. 1, 1953..... bales.....	1, 097, 000	\$166, 779, 000
Jan. 1, 1958..... do.....	5, 620, 000	912, 041, 000
Wheat:		
Jan. 1, 1953..... bushels.....	467, 847, 000	1, 081, 545, 000
Jan. 1, 1958..... do.....	942, 134, 000	2, 498, 237, 000
Corn:		
Jan. 1, 1953..... do.....	368, 349, 000	587, 274, 000
Jan. 1, 1958..... do.....	1, 625, 502, 000	2, 173, 884, 000
Rice:		
Jan. 1, 1953..... hundredweight.....	168, 000	878, 000
Jan. 1, 1958..... do.....	15, 467, 000	113, 749, 000
Peanuts:		
Jan. 1, 1953..... pounds.....	192, 528, 000	22, 644, 000
Jan. 1, 1958..... do.....	213, 143, 000	25, 322, 000
Tobacco:		
Jan. 1, 1953..... do.....	544, 067, 000	250, 373, 000
Jan. 1, 1958..... do.....	940, 742, 000	589, 556, 000
Dairy products:		
Jan. 1, 1953.....		8, 445, 000
Jan. 1, 1958.....		165, 835, 000

#### Farmers (1953 and 1957)

	1952	1957
Farmers' net income (billions).....	\$14.3	\$11.5
Farmers' share of food dollar (cents).....	47	40
Prices paid by farmers, index (per- cent of 1910-14 average).....	287	296
Prices received by farmers, index (percent of 1910-14 average).....	288	242
Parity ratio.....	100	82
Number of farms.....	5, 421, 000	4, 856, 000

#### Per capita income (1957)

People on farms..... \$993  
Nonfarm people..... 2, 045

#### COMPARISONS

Average of farm prices in 1957 down 16  
percent from 1952.

Net farm income in 1957 was 19 percent  
below 1952.

#### CONTRAST

Hourly earnings industrial workers in 1957  
up 24 percent since 1952.

Corporation dividend payments in 1957  
up 37 percent since 1952.

#### Farm prices (as percentage of parity)

	Percent
1942.....	105
1943.....	113
1944.....	108
1945.....	109
1946.....	113
1947.....	115
1948.....	110
1949.....	100
1950.....	101
1951.....	107
1952.....	100

#### Farm prices (as percentage of parity)—Con.

	Percent
1953.....	92
1954.....	89
1955.....	84
1956.....	82
1957.....	82

#### Cash receipts of farmers (not including Gov- ernment payments)

1932.....	\$ 4, 748, 000, 000
1947.....	29, 664, 000, 000
1948.....	30, 253, 000, 000
1951.....	32, 928, 000, 000
1952.....	32, 556, 000, 000
1953.....	29, 542, 000, 000
1956.....	30, 372, 000, 000
1957.....	30, 019, 000, 000

#### Net income of farmers (including Govern- ment payments)

1932.....	\$ 1, 928, 000, 000
1947.....	17, 191, 000, 000
1948.....	15, 943, 000, 000
1951.....	14, 802, 000, 000
1952.....	14, 256, 000, 000
1955.....	11, 581, 000, 000
1956.....	12, 070, 000, 000
1957.....	11, 532, 000, 000

#### National income

1932.....	\$ 43, 049, 000, 000
1948.....	208, 980, 000, 000
1951.....	250, 779, 000, 000
1952.....	266, 406, 000, 000
1955.....	296, 379, 000, 000
1956.....	314, 471, 000, 000
1957.....	328, 676, 000, 000

#### Consumers—Quantities of foods 1 hour of factory labor will buy

	1929	1957
Bread (loaves).....	6.4	11.0
Steak (pounds).....	1.2	2.2
Milk (pints delivered).....	7.8	16.6
Butter (pounds).....	1.0	2.8
Bacon (pounds).....	1.3	2.8
Eggs (dozen).....	1.1	3.7
Potatoes (pounds).....	17.7	36.3
Oranges (dozen).....	1.3	3.6

Source: Agricultural Marketing Service.

Mr. BYRNES of Wisconsin. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I regret exceedingly that it is necessary for the Congress to be considering legislation of this nature.

Mr. Chairman, I have become convinced that the sooner the Government gets out of the farmers' barns and hair and frees American agriculture from the whims of political action, the sooner will the economic condition of agriculture be improved.

I have always recognized that one of the biggest problems facing the farmer was the extreme fluctuations in production and prices in his segment of our economy. I have thought that there was a Government responsibility to try to be helpful in leveling out these high peaks and deep valleys. I am still convinced of the desirability of Government action in this field. I have also become convinced, however, of the impossibility of working out a practicable Government program, particularly in view of what has been happening in this field during the last 10 years.

During the last 10 years, the legislation we have considered under the title of "Farm Price Supports" has been dictated by political considerations rather than the welfare of American agricul-

ture. As long as political considerations dominate Government action in this field, the agricultural economy, except in time of war, will always be sick and the farmer will be a political pawn rather than a self-reliant businessman.

Violent fluctuations of production and price of farm products causes serious problems for the farmer and the general economy, but these problems are much less serious than the problems caused by a Government controlled agriculture with the accompanying serfdom of our farmers.

I am hopeful that this Congress will, at an early date, set a time when the Government will get out of the field of price supports completely. Such action would be an "emancipation proclamation" for the American farmer. The farmers should be freed from Government and political control and permitted to use his own ingenuity, unrestricted by Government, to solve his own problems.

As long as we have a price support program, however, we must consider political legislation like that before us today.

This bill contains many features which I believe would be unsound, from the standpoint of agricultural policy. If this bill could be considered wholly in terms of agricultural policy, I would vigorously oppose it. The facts of the matter are, however, that this legislation must be considered in terms of the general economic conditions that we find existing in the economy as a whole.

We know that there are some serious weak spots in our industrial economy today. Members of Congress and the administration are talking in terms of affirmative action that should be taken to strengthen that part of the economy. Under these circumstances, I cannot understand the attitude of the administration in condoning action that will be bound to further depress farm income and the farmers' purchasing power. If the administration and the Congress can give consideration to the many proposals now being made to stimulate our industrial economy, then certainly the least we should do is to try to keep our agricultural income from falling further. It is foolhardy to consider Government action, the immediate result of which would be to reduce that income.

Let it be remembered that as long as we have a price-support program, the price set by the Government tends to become not just the minimum price, but it becomes the market price.

In the dairy segment of our agricultural economy, the Secretary of Agriculture in effect sets the price for manufactured products and the price of milk to the farmer. The dairy farmer and the dairy industry is already in a very depressed situation because of the interplay of various economic factors and because of Government action. In spite of this fact, and in spite of the problems in the general economy, the Secretary of Agriculture insists on a further drastic reduction in the price of milk to the farmer and thus a greater reduction in the income of the dairy farmer. This



action, Mr. Chairman, can only be dictated by a stubborn disregard of economic facts.

A freezing of the support price for dairy products at the present level for 1 year may cost the Government about \$15 million and that is a matter that must be recognized. On the other hand, let it be recognized that the reduction proposed by the Secretary will result in a reduction of farm income of over \$250 million. Is the expenditure of \$15 million to purchase dairy products worth the \$250 million purchasing power that will be created. That is the question we must ask with respect to the dairy price freeze contained in this bill. To me, Mr. Chairman, the answer is a definite "Yes."

If the expenditure by the Federal Government of almost a billion dollars to supplement State unemployment insurance as is being proposed by the President is a desirable program, then certainly \$15 million to create \$250 million of farm purchasing power is a sound investment.

Mr. Chairman, under the present circumstances, I do not see where there is any alternative but to vote for this bill freezing supports at their present level for 1 year.

(Mr. BYRNES of Wisconsin asked and was given permission to revise and extend his remarks.)

Mr. CRETELLA. Mr. Chairman, I have listened with a great deal of interest to the debate on Senate Joint Resolution 162, which is intended to stay a reduction in price supports and acreage allotments, and I am amazed at some of the statements made by the supporters of the resolution as to the reasons why it should receive favorable action.

So that there be no mistake about it, I am unalterably opposed to the resolution and will vote against it. The claim is made that this would be of benefit to the farmer and that because of declining farm prices, this legislation must be passed at a cost of hundreds of millions of dollars to the American taxpayer.

While all this cry is made for the welfare of the farmer, who is represented by strong farm bloc support, and Members of this Congress whose interest in the legislation necessarily stems out of political expediency, the plight of the consumer is lost sight of.

The mere fact that he, as a taxpayer, must help to pay for these supports seems to be lost sight of. In my opinion, the passage of this legislation would tend to pile up additional surpluses to those which we already have, and which again are costing the taxpayers millions of dollars for storage purposes only. It would certainly add greatly to the cost of the farm program which is now a series of hodgepodge legislation similar to that which was vetoed by the President in 1956.

I wonder how many consumers are mindful of the fact that under the program mandatory supports would be established for commodities which they little suspect, and which is likewise costing them hundreds of millions of dollars.

It is my opinion that the plight of the farmer is not as deplorable as represented by those who take the floor of this House in support of this legislation. True, we all need the American farmer who helps to support the economy of this country, but the consumer who does not have the lobbyist to look after his interests is the one who is called on to pay through the nose every time we add to the farm programs, and I shall vote against this resolution.

As one reads the report which accompanies the resolution, it states that it is hoped that a farm program acceptable to the vast majority can be worked out, and I see very little hope for any such eventuality to take place because, in the years that I have been in the Congress, it has been a constant cry by the farmers for more and more of the taxpayers' money, and when I make reference to farmers, I do not mean the little family farmer, but the large commercial entrepreneur engaged in agriculture to take out of it all that the traffic will bear.

Mr. BECKER. Mr. Chairman, I was considerably disturbed to hear the gentleman from New York, speaking as the chairman of a subcommittee on consumer prices, refuse to answer the rather pertinent question as to just how the proposed resolution would help consumers.

If I interpret his remarks correctly, what he was really saying was that it does not help the consumer at all, but that he does not think it will hurt him. I think he has overlooked one important fact. This proposition, if enacted into law, will cost, according to figures given on the floor here today, somewhere between \$250 million and \$350 million more than the program cost this year. I want to say right now that this is one part of the proposition that is going to hurt the consumers in my district. Their share of that additional cost is going to be between a half and three-quarters of a million dollars in my district alone. And with unemployment rising, this is going to hurt the consumers in my district considerably. That is one reason why I am going to oppose the proposition.

The other reason is that this is a bad bill. That is why it is being rushed through the House in this fashion. If the Members were to be given a chance to study just what the results of this action would be, it would be hard to get a handful of votes in support of the measure.

I have heard, time and again, the proponents of this proposition take the floor to tell us how the present support program has failed. It has been costly and ineffective, and Secretary Benson has been criticized for having such a program. Now we hear these same Members tell us that we must freeze this same program just as it is. We must not let anything be changed. Now this just does not make sense.

Mr. BUDGE. Mr. Chairman, I am voting against the farm-freeze bill—Senate Joint Resolution 162—because I am convinced it is a step in the wrong direction.

In my district in Idaho, the two crops right now paying the best returns to farmers are potatoes and beef cattle—neither of which has any Government support. This, I believe, indicates the proper direction for us to go if we want to give any real help to the farmers. We must move to get less Government in farming instead of more. We must move in the direction of more freedom to meet ever-changing conditions instead of freezing supports in a pattern which has already been proven ineffective, inefficient, and woefully expensive.

I have been surprised to hear those who have been the most frequent and the loudest in their criticism of the administration's farm program, leading the fight for adoption of this measure. For months they have been telling the world how bad the program is, and now they are trying to rush through, without hearings, a bill to freeze it exactly as it is. This is a poor way, in my estimation, to help farmers. The least the critics could do would be to present something new, rather than the same old approach which has failed time and time again.

Mr. NEAL. Mr. Chairman, recalling a remark made by the gentleman from Wisconsin [Mr. TEWES] that dairymen in his district are going out of business reminds me of the fate of small dairies in my home county after the adoption of a pasteurizing ordinance. Being unable financially to meet the imposed requirements, they elected to go out of the dairy business to seek other means of support.

I am reminded that history is replete with similar instances. Due to ever-changing developments in the economic picture, small business, no longer able to adjust to changes, has no alternative but to desist from further attempts to continue an unprofitable operation.

In view of the overproduction of dairy products, I am constrained to wonder why Government should be asked to bail out those individuals who find themselves no longer able to operate with profit.

Mr. GROSS. Mr. Chairman, I am certain that nothing anyone may say at this hour this afternoon will change a single vote either for or against this legislation.

Therefore I merely want to say that I fully understand this is stopgap legislation and points up the necessity for early enactment of a sound, permanent measure that will provide economic justice for the farmers of this Nation.

To permit the Secretary of Agriculture to lower price supports on dairy and other farm commodities and thus reduce the income of farmers below the 1957 level would be unthinkable.

I support this legislation to hold the line until a better farm program can be enacted into law.

Mr. WOLVERTON. Mr. Chairman, the farm problem seems to defy satisfactory solution. Each new endeavor during recent years has brought new or additional problems beyond what it has sought to cure. All of this indicates that the problems have not been approached in a proper manner. To list the different proposals that have been suggested or enacted would exceed the time and



space available to me at this time. Suffice it to say that the present proposal contained in Senate Joint Resolution 162 is even more unsatisfactory than any that has preceded it.

The joint resolution, Senate Joint Resolution 162, now before the House for its consideration seeks to stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws.

There are many reasons that this cannot be considered either a wise or appropriate manner to solve whatever farm problems exist at this time. Without any attempt to enumerate all of the reasons that could be given, I will set forth a few of the most glaring and most objectionable features that appear to me from my consideration of the provisions contained in the resolution, namely:

First. The resolution as passed by the Senate provides that it shall be effective only until such time as Congress shall make other provision for price supports and acreage allotments and provide for the repeal of this resolution. Thus, we would have a freeze of present unsatisfactory conditions, whatever they may be, for an indefinite time.

To eliminate to some extent this objectionable feature the House Committee on Agriculture has amended the resolution so that it is contended it could only apply for 1 year. However, even with such a change there is no assurance that it would be acceptable to the Senate. And, if it should not be then we would have to adopt the Senate indefinite time limit or have no law to remedy the situation which the committee admits is necessary for a long-range solution.

Second. The House committee report admits the proposed enactment now before the Congress is not intended as permanent nor affirmative legislation but only as a stopgap measure while new program-type legislation is being formulated and enacted. And, in this connection the committee further states, "It is the hope of this committee to bring out a general farm bill which will include improved price-support and production adjustment programs for the major agricultural commodities. To this end, commodity subcommittees have been and are continuing to work with all diligence."

The report further sets forth that the Cotton Subcommittee is now working on the final draft of its legislation. The Feed Grains Subcommittee is nearing a draft of its program. The Wheat Subcommittee has started hearings on new long-range wheat legislation, and the Dairy Subcommittee has announced the start of hearings on an entirely new type of dairy support program. The other commodity programs are receiving similar attention. This activity in the preparation of new legislation removes the necessity for any such precipitous treatment of the farm program as this resolution would provide. The sensible thing is to withhold mere temporary stopgap legislation and bring to completion at the earliest possible day the new farm program.

Third. The present resolution was presented to the Senate without any

hearings, notwithstanding it was known that serious objections had been raised by farm organizations, and the same is true of the House resolution. It was likewise reported to the House without any hearings being held by the committee.

It was rushed out of committee in both instances without any opportunity to ascertain whether it was good legislation or ill-advised at this time. There is no doubt that it is intended to repeal the exercise by the Secretary of Agriculture of the discretion lodged in him under the present law to fix price supports and acreage allotments for certain crops.

Fourth. The House committee report leaves no doubt that there should be a new farm program which will include improved price-support and production-adjustment programs for the major agricultural commodities. In view of this fact, how can there be justification for the present price supports and production adjustments being continued. And, in this connection it should be further borne in mind that the present program relates to only 10 commodities out of 250 farm commodities. And, likewise that it is generally recognized that the present farm program is not as helpful as it should be to the small family-sized farm or the low-income farmer.

Fifth. Furthermore, a continuation of the present farm-support program does not provide any relief to the large consuming portion of our population. The cost to consumer has been continually rising and without the producing farmer always getting the supposed benefits accruing from the high prices paid by the consumer. Somewhere in between the price received by the farmer and the price paid by the consumer there is someone or more reaping a real harvest of profit. How can this situation be remedied to the advantage of the farmer and the consumer? This is a matter that requires and should have the active and serious consideration of the Committee on Agriculture. There is a duty to the public consumer that should be considered in connection with the recognized duty of promoting the welfare of the farmer. It is a dual obligation and too serious to be passed over in the manner of the present resolution which in effect ignores it entirely.

Sixth. It is gratifying to learn that no matter how unsatisfactory the lot of some farmers may be, nevertheless the fact remains that, first, farm assets are an all-time high—\$188 billion as of January 1, 1958; second, the inventory value of livestock on farms for January 1, 1958, was \$14.2 billion—higher by \$3 billion than a year ago; third, income per person on farms last year was highest on record—up 2 percent over 1951, the previous high year; fourth, farmers have less than \$11 in debts for each \$100 of assets; in 1940 the ratio was \$19 for each \$100; fifth, owner equities rose 7 percent during 1957 to a peak of \$168.4 billion; sixth, farm ownership is also at a record high, only 1 in 3 farms has a mortgage; seventh, the postwar downtrend in prices which started in 1951 has been stopped, prices received by farmers in February were 8 percent above a year ago

and 11 percent above 2 years ago; eighth, the surplus production of American farms is being made available for hungry people at home and abroad.

Seventh. The existing farm legislation is not adequate for the needs of agriculture under present conditions, and, this proposed legislation would worsen rather than improve the existing unsatisfactory situation. For a long time it has been the policy to establish support and allotment levels on a year-to-year basis, using statutory standards. That certain levels of prices and acreages are in effect in 1957 does not necessarily mean that they will be right or desirable for 1958 and future years. This would be the effect if the present resolution is adopted. It is therefore wrong in principle and should not be adopted.

It has been urged that there is a necessity for this legislation as a means of protecting the dairy interests from any possible change of their status on April 1 of this year. I submit that it is not necessary to extend all the inequities of the present and existing legislation indefinitely, or, even for 1 year relating to other commodities and adding nine more to the list, if the only reason that can be legitimately advanced is to protect the dairy interests. It is my opinion that this could have been done, if necessary, by merely extending the law pertaining to dairies another month or two. It is my understanding that a motion will be made to recommit the pending resolution with instructions to the committee to report the resolution immediately, with a provision relating to the protection of the dairy industry only, and eliminating all other provisions of the pending resolution. I shall vote for such a motion if it is made. I trust that such motion shall be adopted and thereby protect the dairy industry for the short time necessary to report permanent legislation, and that the Committee on Agriculture will thus be required to act promptly in reporting to the House a new farm program that will eliminate any inequities now existing and provide a new and improved program that will more adequately solve and fit into the needs of today.

Mr. PORTER. Mr. Chairman, I shall support Senate Joint Resolution 162, but with reservations which I hope to discuss at length at a later date.

Personally, I am not convinced that price supports, as now in effect, serve the farmer. This does not mean, however, that I am willing to throw out an existing program without offering a solution. Mr. Chairman, Secretary Benson may believe he is helping the farmer stand on his own feet. I can appreciate the Secretary's sincerity but I cannot accept his program which has done little more than foreclose on the individual farmer.

The mail I have received from constituents has been 5 to 2 in favor of freezing price supports as Senate Joint Resolution 162 proposes. I have had no commentary on acreage allotments.

The members of the North Bayside Grange, No. 691, of Coos County, Oreg., took time earlier this year to prepare in detail their reasons for protesting the



proposed lowering of dairy support prices.

The Grange opinion, sent to me by Secretary Bonnie Fullerton, is, in part:

This protest should not be construed as an argument for subsidies as such. The dairyman is as willing as anyone to cease being dependent on the Government, providing that all other segments of the economy return to the same basis.

The Grange statement also says:

The trend of the administration to eliminate the small operator could result in a monopoly condition which would be more harmful to the general public than the total of all subsidies ever paid.

Mr. Chairman, I believe that until Congress can, of necessity, do the job which the Secretary of Agriculture has not done, this proposed freeze is necessary. On this basis, I shall cast my vote for the freeze.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ENGLE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the joint resolution (S. J. Res. 162) to stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws, pursuant to House Resolution 505, he reported the joint resolution back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the joint resolution.

The joint resolution was ordered to be read a third time and was read the third time.

Mr. HARVEY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. HARVEY. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies.

The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. HARVEY moves that the joint resolution be recommittees and reported back forthwith with the following amendment: Strike out all of the joint resolution beginning at line 3 on page 1 and substitute therefor the following:

"That in order to prevent reductions in support prices for dairy products prior to consideration by Congress of such changes in the price support laws as may be necessary at this time.

"(1) the support price (in terms of dollars and cents) for dairy products shall not be less than that available for such commodity during the marketing year or season which began in 1957.

"The resolution shall be effective only for the marketing year which begins in 1958, or until repealed, whichever date is earlier."

The SPEAKER. The question is on the motion to recommit.

Mr. HARVEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 173, nays 210, not voting 47, as follows:

[Roll No. 27]

YEAS—173

Adair	Fenton	Miller, N. Y.
Addonizio	Fino	Minshall
Alger	Fogarty	Morano
Allen, Calif.	Ford	Mumma
Allen, Ill.	Frelinghuysen	Neal
Arends	Fulton	Nicholson
Auchincloss	Gary	Nimtz
Ayres	Gavin	Norblad
Baker	Griffin	Osmers
Baldwin	Gubser	Ostertag
Bass, N. H.	Hagen	Patterson
Bates	Hale	Pelly
Baumhart	Haley	Pillion
Beamer	Halleck	Poff
Becker	Harden	Quie
Bennett, Mich.	Harrison, Nebr.	Ray
Bentley	Harrison, Va.	Reece, Tenn.
Betts	Harvey	Reed
Boland	Haskell	Rhodes, Ariz.
Bolton	Henderson	Rhodes, Pa.
Bosch	Herlong	Riehlman
Boyle	Hess	Robison, N. Y.
Bray	Hiestand	Rodino
Broomfield	Hill	Rogers, Mass.
Brown, Ohio	Hillings	Sadlack
Brownson	Hoeven	St. George
Broyhill	Hoffman	Saylor
Budge	Holt	Schenck
Bush	Holtzman	Scherer
Byrne, Ill.	Hosmer	Schwengel
Byrnes, Wis.	Hyde	Scott, Pa.
Carrigg	Jackson	Scudder
Cederberg	James	Seely-Brown
Chamberlain	Jenkins	Siler
Chenoweth	Johansen	Smith, Calif.
Chiperfield	Kearns	Staggers
Church	Keating	Stauffer
Clark	Kelly, N. Y.	Taber
Clevenger	Kilburn	Talle
Coffin	Knox	Taylor
Collier	Lafore	Tewes
Corbett	Laird	Thomson, Wyo.
Cramer	Latham	Tollefson
Cretella	Lipscomb	Van Pelt
Cunningham,	McCulloch	Van Zandt
Iowa	McDonough	Vursell
Cunningham,	McGregor	Wainwright
Nebr.	McIntosh	Westland
Curtin	McVey	Wharton
Curtis, Mass.	Macdonald	Widnall
Curtis, Mo.	Mack, Wash.	Williams, N. Y.
Dague	Mailliard	Wilson, Calif.
Dawson, Utah	Martin	Wilson, Ind.
Delaney	Mason	Withrow
Dennison	May	Wolverton
Derounian	Meador	Yates
Devereux	Morrow	Younger
Dorn, N. Y.	Michel	
Dwyer	Miller, Md.	

NAYS—210

Abbott	Brown, Mo.	Farbstein
Abernethy	Burdick	Fascell
Albert	Burleson	Feighan
Alexander	Byrne, Pa.	Fisher
Andersen	Canfield	Flood
H. Carl	Cannon	Flynt
Anderson,	Carnahan	Forrester
Mont.	Celler	Fountain
Andrews	Chelf	Frazier
Anfuso	Christopher	Gathings
Ashmore	Coad	George
Aspinall	Colmer	Granahan
Avery	Cooley	Gray
Bailey	Davis, Ga.	Green, Oreg.
Barden	Dawson, Ill.	Gregory
Bass, Tenn.	Dent	Griffiths
Beckworth	Denton	Gross
Belcher	Diggs	Hardy
Bennett, Fla.	Dixon	Harris
Berry	Dollinger	Hays, Ark.
Blitch	Donohue	Healey
Boggs	Dorn, S. C.	Hubert
Bolling	Dowdy	Hemphill
Bonner	Durham	Holmes
Boykin	Edmondson	Horan
Breeding	Elliott	Huddleston
Brooks, La.	Engle	Hull
Brooks, Tex.	Everett	Ikard
Brown, Ga.	Evins	Jarman

Jennings	Montoya	Saund
Jensen	Morgan	Scott, N. C.
Johnson	Morris	Scrivner
Jonas	Moss	Selden
Jones, Ala.	Moulder	Shuford
Jones, Mo.	Multer	Sikes
Judd	Murray	Simpson, Ill.
Karsten	Natcher	Simpson, Pa.
Keogh	Norrell	Sisk
Kilday	O'Brien, Ill.	Smith, Kans.
Kilgore	O'Brien, N. Y.	Smith, Miss.
King	O'Hara, Ill.	Smith, Va.
Kitchin	O'Hara, Minn.	Spence
Kluczynski	O'Konski	Springer
Knutson	O'Neill	Steed
Krueger	Passman	Sullivan
Landrum	Patman	Teague, Calif.
Lane	Perkins	Teague, Tex.
Lankford	Pfost	Teller
LeCompte	Philbin	Thomas
Lennon	Pilcher	Thompson, N. J.
Lesinski	Poage	Thompson, Tex.
Libonati	Polk	Thornberry
Loser	Porter	Trimble
McCarthy	Powell	Tuck
McCormack	Preston	Udall
McFall	Price	Ullman
McGovern	Prouty	Vanik
McIntire	Rabaut	Vinson
McMillan	Rees, Kans.	Vorys
Machrowicz	Reuss	Weaver
Mack, Ill.	Riley	Whitener
Madden	Roberts	Whitten
Magnuson	Robeson, Va.	Wier
Mahon	Robson, Ky.	Williams, Miss.
Marshall	Rogers, Colo.	Willis
Matthews	Rogers, Fla.	Winstead
Metcalf	Rogers, Tex.	Wright
Miller, Calif.	Rooney	Young
Miller, Nebr.	Roosevelt	Zablocki
Mills	Rutherford	Zelenko
Mitchell	Santangelo	

NOT VOTING—47

Ashley	Forand	Long
Baring	Friedel	Moore
Barrett	Garmatz	Morrison
Blatnik	Glenn	Radwan
Bow	Gordon	Rahns
Buckley	Grant	Rivers
Byrd	Green, Pa.	Sheehan
Coudert	Gwinn	Shelley
Davis, Tenn.	Hays, Ohio	Sheppard
Dellay	Heseltun	Sieminski
Dies	Holifield	Thompson, La.
Dingell	Holland	Utt
Dooley	Kean	Waiter
Doyle	Kearney	Watts
Eberhart	Kee	Wigglesworth
Fallon	Kirwan	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Heseltun for, with Mr. Byrd against.  
Mr. Kean for, with Mr. Shelley against.  
Mr. Coudert for, with Mr. Watts against.  
Mr. Glenn for, with Mr. Morrison against.  
Mr. Radwan for, with Mr. Barrett against.  
Mr. Bow for, with Mr. Hays of Ohio against.

Mr. Moore for, with Mr. Doyle against.  
Mr. Sheehan for, with Mr. Blatnik against.  
Mr. Wigglesworth for, with Mr. Holifield against.

Mr. Gwinn for, with Mr. Davis of Tennessee against.

Mr. Dooley for, with Mr. Dies against.

Until further notice:

Mr. Holland with Mr. Kearney.

Mr. Ashley with Mr. Utt.

Mr. ADDONIZIO, Mr. STAGGERS, and Mr. BENNETT of Michigan changed their votes from "nay" to "yea."

The SPEAKER. The question is on passage of the bill.

Mr. POAGE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 210, nays 172, not voting 48, as follows:



[Roll No. 28]

## YEAS—210

Abbutt  
Abernethy  
Albert  
Alexander  
Andersen,  
H. Carl  
Anderson,  
Mont.  
Andrews  
Anfuso  
Ashmore  
Aspinall  
Avery  
Barden  
Bass, Tenn.  
Beckworth  
Belcher  
Bennett, Fla.  
Bennett, Mich.  
Bentley  
Berry  
Bilitch  
Boggs  
Bolling  
Bonner  
Boykin  
Breeding  
Brooks, La.  
Brooks, Tex.  
Brown, Ga.  
Brown, Mo.  
Burdick  
Burleson  
Bush  
Byrne, Pa.  
Byrnes, Wis.  
Cannon  
Carnahan  
Carrigg  
Celler  
Chelf  
Chenoweth  
Christopher  
Coad  
Coffin  
Colmer  
Cooley  
Davis, Ga.  
Dawson, Ill.  
Dent  
Denton  
Diggs  
Dollinger  
Donohue  
Dorn, S. C.  
Dowdy  
Durham  
Edmondson  
Elliott  
Engle  
Everett  
Evins  
Farbstein  
Fascell  
Fisher  
Flood  
Flynt  
Forrester  
Fountain  
Frazier  
Gathings

George  
Granahan  
Gray  
Green, Oreg.  
Gregory  
Griffiths  
Gross  
Hardy  
Harris  
Hays, Ark.  
Healey  
Hébert  
Hemphill  
Hoeven  
Holmes  
Horan  
Huddleston  
Hull  
Ikard  
Jarman  
Jennings  
Jensen  
Johnson  
Jonas  
Jones, Ala.  
Jones, Mo.  
Karsten  
Keogh  
Kilburn  
Kilday  
Kilgore  
King  
Kitchin  
Knox  
Knutson  
Krueger  
Laird  
Landrum  
Lane  
Lankford  
LeCompte  
Lennon  
Lesinski  
Loser  
McCarthy  
McCormack  
McFali  
McGovern  
McIntosh  
McMillan  
Machrowicz  
Mack, Ill.  
Mack, Wash.  
Magnuson  
Mahon  
Marshall  
Matthews  
Metcalf  
Miller, Calif.  
Miller, Nebr.  
Mills  
Montoya  
Morgan  
Morris  
Moss  
Moulder  
Multer  
Murray  
Natcher  
Norblad  
Norrell

O'Brien, N. Y.  
O'Hara, Minn.  
O'Konski  
O'Neill  
Passman  
Patman  
Perkins  
Pfost  
Philbin  
Pilcher  
Poage  
Polk  
Porter  
Preston  
Price  
Prouty  
Quile  
Rabaut  
Rees, Kans.  
Reuss  
Riley  
Roberts  
Robeson, Va.  
Rogers, Colo.  
Rogers, Tex.  
Rooney  
Roosevelt  
Rutherford  
Santangelo  
Saund  
Scott, N. C.  
Scrivner  
Selden  
Shuford  
Sikes  
Simpson, Ill.  
Sisk  
Smith, Kans.  
Smith, Miss.  
Smith, Va.  
Spence  
Springer  
Steed  
Sullivan  
Taylor  
Teague, Tex.  
Teller  
Tewes  
Thompson, Tex.  
Thornberry  
Tollefson  
Trimble  
Tuck  
Ullman  
Van Pelt  
Vinson  
Weaver  
Wharton  
Whitener  
Whitten  
Wier  
Williams, Miss.  
Williams, N. Y.  
Willis  
Winstead  
Withrow  
Wright  
Young  
Zablocki  
Zelenko

## NAYS—172

Adair  
Addonizio  
Alger  
Allen, Calif.  
Allen, Ill.  
Arends  
Auchincloss  
Ayres  
Bailey  
Baker  
Baldwin  
Bass, N. H.  
Bates  
Baumhart  
Beamer  
Becker  
Betts  
Boland  
Bolton  
Bosch  
Boyle  
Bray  
Broomfield  
Brown, Ohio  
Brownson  
Broynhill  
Budge  
Byrne, Ill.  
Canfield

Cederberg  
Chamberlain  
Chilperfield  
Church  
Clark  
Clevenger  
Collier  
Corbett  
Cramer  
Cretella  
Cunningham,  
Iowa  
Cunningham,  
Nebr.  
Curtin  
Curtis, Mass.  
Curtis, Mo.  
Dague  
Dawson, Utah  
Delaney  
Dennison  
Derounian  
Devereux  
Dixon  
Dorn, N. Y.  
Dwyer  
Felghan  
Fenton  
Fino

Fogarty  
Ford  
Frelinghuysen  
Fulton  
Gary  
Gavin  
Griffin  
Gubser  
Hagen  
Hale  
Haley  
Halleck  
Harden  
Harrison, Nebr.  
Harrison, Va.  
Harvey  
Haskell  
Henderson  
Herlong  
Hess  
Hiestand  
Hill  
Hillings  
Hoffman  
Holt  
Holtzman  
Hosmer  
Hyde  
Jackson

James  
Jenkins  
Johansen  
Judd  
Kearns  
Keating  
Kelly, N. Y.  
Kluczynski  
Lafore  
Latham  
Libonati  
Lipscomb  
McCulloch  
McDonough  
McGregor  
McIntire  
McVey  
Macdonald  
Madden  
Mailliard  
Martin  
Mason  
May  
Meader  
Morrow  
Michel  
Miller, Md.  
Miller, N. Y.  
Minshall

Morano  
Mumma  
Neal  
Nicholson  
Nimtz  
O'Brien, Ill.  
O'Hara, Ill.  
Osmers  
Ostertag  
Patterson  
Pelly  
Pillion  
Poff  
Powell  
Ray  
Reece, Tenn.  
Reed  
Rhodes, Ariz.  
Rhodes, Pa.  
Riehlman  
Robison, N. Y.  
Robison, Ky.  
Rodino  
Rogers, Fla.  
Rogers, Mass.  
Sadlak  
St. George  
Saylor  
Schenck

Scherer  
Schwengel  
Scott, Pa.  
Scudder  
Seely-Brown  
Siler  
Simpson, Pa.  
Smith, Calif.  
Staggers  
Stauffer  
Taber  
Talle  
Teague, Calif.  
Thomas  
Thompson, N. J.  
Thomson, Wyo.  
Udall  
Vanik  
Van Zandt  
Vorys  
Vursell  
Wainwright  
Westland  
Widnall  
Wilson, Calif.  
Wilson, Ind.  
Wolverton  
Yates  
Younger

## NOT VOTING—48

Ashley  
Baring  
Barrett  
Blatnik  
Bow  
Buckley  
Byrd  
Coudert  
Davis, Tenn.  
Deilay  
Dies  
Dingell  
Dooley  
Doyle  
Eberhart  
Fallon

Forand  
Friedel  
Garmatz  
Glenn  
Gordon  
Grant  
Green, Pa.  
Gwinn  
Hays, Ohio  
Heselt  
Hollifield  
Holland  
Keen  
Kearney  
Kee  
Kirwan

Long  
Mitchell  
Moore  
Morrison  
Radwan  
Rains  
Rivers  
Sheehan  
Shelley  
Sheppard  
Sieminski  
Thompson, La.  
Utt  
Walter  
Watts  
Wigglesworth

So the joint resolution was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Garmatz for, with Mr. Wigglesworth against.  
Mr. Fallon for, with Mr. Sheehan against.  
Mr. Friedel for, with Mr. Moore against.  
Mr. Rains for, with Mr. Bow against.  
Mr. Grant for, with Mr. Coudert against.  
Mr. Mitchell for, with Mr. Walter against.  
Mr. Buckley for, with Mr. Kean against.  
Mr. Watts for, with Mr. Radwan against.  
Mr. Dies for, with Mr. Dooley against.  
Mr. Sheppard for, with Mr. Gordon against.  
Mr. Forand for, with Mr. Gwinn against.  
Mr. Green of Pennsylvania for, with Mr. Heselt against.  
Mr. Thompson of Louisiana for, with Mr. Glenn against.  
Mr. Kirwan for, with Mr. Dellay against.

Until further notice:

Mr. Sieminski with Mr. Utt.  
Mr. Long with Mr. Kearney.

Mr. VAN ZANDT changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The title of the resolution was amended to read: "Joint resolution to stay temporarily any reduction in support prices or acreage allotments."

## NATIONAL LOTTERY BILL

(Mr. FINO asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. FINO. Mr. Speaker, while we in this Congress continue to ignore the tremendous revenue-producing features of my national lottery bill, many of our States throughout this country are tak-

ing full advantage of and capitalizing on the natural betting urge of the American people.

Several days ago the New York State Assembly passed unanimously a bill extending the racing season for an additional 5 days. This legislative action will not only further satisfy the gambling spirit of the people of New York but, more importantly, it would enable the State to pick up more than \$1 million a year in additional revenue.

Mr. Speaker, in the past year, the State racing commissions throughout this Nation have been extending their racing days. Only recently, the State of Maryland opened its 1958 season at Bowie on February 8, in the dead of winter. I am sure no one is so naive to believe that these extensions of the racing seasons are based on any desire to breed better horses. That is absolute nonsense. The purpose is obvious—it means increased revenue to the State treasuries.

Recently, the New York City Council passed a resolution calling upon the State legislature to permit a referendum on the question of legalizing off-track betting. Needless to say, this request was prompted not only because of the city's concern over its failure to control the gambling instincts of man but because New York City feels that this source of revenue should be legally tapped to help relieve the heavy pressure borne by the taxpayers.

Mr. Speaker, evidence of the known fact that the urge to gamble is deeply ingrained in humans was shown last November when the people of the State of New York voted overwhelmingly in favor of bingo. This approval not only clothes our bingo players with complete respectability and legality but will help our religious, fraternal, and charitable organizations to finance their causes and improvements with greater ease.

All of these legislative movements represent not only a complete recognition of the well known fact that the urge to gamble is as old as mankind itself but the acceptance of the principle that regulation by law will provide the State governments with additional funds which could and would help to relieve some of the unconscionable burden borne by the taxpayers.

Mr. Speaker, several weeks ago, Percival F. Brundage, our former Budget Director, in answer to a question on the televised program, "Youth Wants To Know," said: "I must admit that I hate to see all the benefits of the gambling that there is going to the underworld. I would like to find some way of tapping it."

Mr. Speaker, for 6 years, I have been urging Congress to enact my national lottery bill which, in the opinion of 59 percent of the American people, is the only way to tap this source of revenue. The national lottery bill is not a gambling measure but rather a revenue-making bill which would raise \$10 billion a year—voluntarily and painlessly.

Mr. Speaker, my national lottery bill deserves the deepest consideration and this Congress has no right to be careless, more particularly at this time, of pos-











# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued March 24, 1958  
For actions of March 21, 1958  
85th-2d, No. 46

## CONTENTS

Acreage allotments.....1		
Adjournment.....20		
Appropriations.....4,27		
Dairy price supports....13		
Economic situation.....10		
Electrification.....12,21		
Interest rates.....14		
Farm program.....5,22	Marketing.....26	Retirement.....6
Flood insurance.....19	Meatpackers.....2	Roads.....11
Foreign trade.....7,17	Minerals.....25	Small business.....16
Forestry.....9	Personnel.....6,15	Statehood.....17
Great Plains.....23	Price supports.....1,13	Surplus commodities.....7
Libraries.....24	Public Law 480.....7	Surplus food.....8
Livestock.....26	Public works.....3	Water resources.....18

HIGHLIGHTS; Senate agreed to House amendments to measure to freeze price supports and acreage allotments. Senate debated bill to transfer certain functions under Packers and Stockyards Act to FTC. Conferees agreed to file report on second supplemental appropriation bill. Sen. Mundt and others introduced and Sen. Mundt discussed self-help meat promotion program bill.

## SENATE

1. PRICE SUPPORTS; ACREAGE ALLOTMENTS. Agreed, 48 to 32, to the House amendments to S. J. Res. 162, to prohibit temporarily reductions in price supports or acreage allotments below 1957 levels. This measure will now be sent to the President. pp. 4427-9
2. MEATPACKERS. Began debate on S. 1356, to transfer certain functions under the Packers and Stockyards Act from this Department to FTC. Sen. O'Mahoney explained that he felt the bill merely transferred to the FTC jurisdiction over packers trade practices which it originally had. pp. 4481-6
3. PUBLIC WORKS. Sen. Kefauver became a cosponsor to S. 3497, to expand the public facility loan program of the Housing and Home Finance Agency. p. 4426
4. APPROPRIATIONS. Passed without amendment H. R. 11085, the Treasury-Post Office Department appropriation bill for 1959. This bill will now be sent to the President. pp. 4431, 4454-7



5. FARM PROGRAM. Sen. Humphrey urged that farm groups work together to enact general legislation aiding all commodity groups, and inserted a Farmers' Union GTA broadcast on the recent farm bill message. p. 4432  
Sen. Humphrey criticized the alleged destruction of copies of a farm census report, and inserted a news article, "Agriculture Plows Under Report Hinting Policies Depopulate Farms." p. 4433
6. RETIREMENT. Passed with amendments S. 72, to increase annuities payable to certain annuitants from the Civil Service Retirement Fund. pp. 4457, 4472-81
7. SURPLUS COMMODITIES; FOREIGN TRADE. Sen. Javits stated that he was absent during the vote on S. 3420, to extend Public Law 480, and that if he had been present he would have voted Nay on the amendments and Yea on the bill. p. 4431
8. SURPLUS FOOD. Sen. Proxmire urged that legislation be enacted to establish the authority of the Secretary to purchase goods in abundant supply for distribution to needy families, and pointed to poultry as one area in which prices were down to 69% of parity. He inserted a table showing the commodities purchased for distribution by USDA. pp. 4435-6
9. FORESTRY. Sen. Neuberger stated that telegrams opposing S. 3051, to provide alternatives of private or Federal acquisition of the part of the Klamath Indian Forest lands which must be sold under the termination act, were inspired by two lumber associations which had refused to testify on the bills, and inserted an editorial and a resolution of the Ore. Legislature Interim Committee supporting the bill. pp. 4438-9
10. ECONOMIC SITUATION. Several Senators discussed the economic situation and unemployment. pp. 4417, 4431, 4432-5, 4454-4.
11. ROADS. Granted permission for the Public Works Committee to file a report on S. 3414, the Federal Aid Highway Act supplement and extension bill, during the recess of the Senate. p. 4486
12. ELECTRIFICATION. Sen. Humphrey inserted a resolution of the Land O'Lakes Creameries opposing REA interest-rates increases and urging "the REA Administrator be given full authority to approve loans." pp. 4419
13. DAIRY PRICE SUPPORTS. Sen. Humphrey inserted a resolution of the Menahga, Minn. Civic & Commerce Ass'n urging maintenance of the present 82% of parity support for dairy products. p. 4419  
Sen. Thye inserted a resolution of the Bertha, Minn., Commercial Club, urging maintenance of the present dairy price supports. p. 4452
14. INTEREST RATES. Sen. Humphrey inserted a resolution from the 7th District VFC of Minn., opposing higher interest rates for GI home loans. p. 4419
15. PERSONNEL. Sen. Humphrey inserted a resolution of the northwestern section of the American Society of Civil Engineers urging higher pay for engineering and scientific employees of the Federal Government. p. 4420
16. SMALL BUSINESS. Several Sens. discussed S. 3194, to provide tax adjustments for small businessmen. pp. 4457-71
17. STATEHOOD; FOREIGN TRADE. Sen. Malone inserted his TV broadcast in which he opposed statehood for Alaska and Hawaii, inserted his minority views in the committee report on the statehood bill, and discussed the current economic situation and the need to allow the Trade Agreements Act to lapse. pp. 4486-91



By Mr. YARBOROUGH:

A statement on the occasion of the first observance of National Library Week, issued by former Presidents Herbert Hoover and Harry S. Truman.

Article entitled "Library Founders and Builders Due Eternal Gratitude of Public," written by J. Frank Dobie and published in the Fort Worth Star-Telegram of March 16, 1958.

By Mr. PROXMIRE:

Statement entitled "Public Understanding and Support for Education," issued by the problems and policies committee of the American Council on Education.

By Mr. MARTIN of Pennsylvania:

Editorial entitled "GAVIN Seeks Reelection," published in the Oil City (Pa.) Derrick of March 13, 1958.

Statement dated March 19, 1958, issued by United States Steel Corp.

By Mr. MURRAY:

Editorial entitled "For Legalizing a Great Plains Administration," published in the Cut Bank (Mont.) Pioneer Press of March 6, 1958.

Letter from P. M. Gwin, commander, William Meyerslick Camp, No. 15, United Spanish War Veterans, dated January 1, 1958.

Article entitled "Golden Rule," published in Time of April 1, 1958; and article entitled "Charlotte's Harry Golden: Portrait of Pleasant Myth," written by Julian Scheer and published in the Charlotte News.

By Mr. CASE of New Jersey:

Article entitled "Partly 'Gifted' Also Essential," written by Malvina Lindsay and published in the Washington Post of March 17, 1958.

Article entitled "A Look at the Junior Colleges," written by Millicent Taylor and published in the Christian Science Monitor of March 1, 1958.

#### NOTICE CONCERNING NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Eugene Levi Kemper, of Kansas, to be United States marshal, for the district of Kansas, for a term of 4 years—reappointment.

B. Ray Cohoon, of North Carolina, to be United States marshal, for the eastern district of North Carolina, for a term of 4 years—reappointment.

James E. Holshouser, of North Carolina, to be United States attorney, for the middle district of North Carolina, for a term of 4 years, vice Edwin M. Stanley, resigned.

William Raab, of Nebraska, to be United States marshal, for the district of Nebraska, for a term of 4 years—reappointment.

Dewey Howard Perry, of Vermont, to be United States marshal, for the district of Vermont, for a term of 4 years—reappointment.

Maurice Paul Bois, of New Hampshire, to be United States attorney, for the district of New Hampshire, for a term of 4 years—reappointment.

Fred Elledge, Jr., of Tennessee, to be United States attorney, for the middle district of Tennessee, for a term of 4 years—reappointment.

Clarence Edwin Luckey, of Oregon, to be United States attorney, for the district of Oregon, for a term of 4 years—reappointment.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Friday, March 28, 1958, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

#### UNEMPLOYMENT COMPENSATION

Mr. PROXMIRE. Mr. President, an editorial in this morning's Washington Post calls for prompt action to extend unemployment compensation. This editorial points out that:

Quite apart from other measures on which caution is warranted, this aspect of the recession is truly an emergency requiring emergency action to alleviate individual hardship and to help sustain buying power.

Congress has a clear duty to act, and to act at once, to provide benefits for the hundreds of thousands of workers in every State of the Union who are about to exhaust their eligibility. As a cosponsor of the bill introduced by the distinguished junior Senator from Massachusetts [Mr. KENNEDY], which would extend and improve unemployment compensation, I earnestly hope that action on this measure can be taken very promptly. I also enthusiastically support the measure introduced by the junior Senator from New Jersey [Mr. CASE], which would at once expand unemployment compensation payments. The Senator from New Jersey and the Senator from Massachusetts deserve great credit for vigorously pressing for this urgently needed legislation.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD at this point, following my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

#### GET ON WITH IT

It is almost inconceivable that the administration would have proposed a program for extension of State unemployment benefits financed merely by Federal loans to the States. Such a plan would require costly and time-consuming special sessions of many State legislatures. If it is true that the Governors who met here with the President to discuss the plan have convinced Mr. Eisenhower of the near worthlessness of such a scheme, the conference was eminently worth while.

Why has it taken the White House so long to formulate its specific proposal for this much-needed relief? All that should be required, basically, is congressional authority to make grants to the States enabling them to extend the benefits—although any feature that would encourage permanent improvements in the program by the States would be welcome. The legislation could be drafted in a day. Equally difficult to understand is why Congress has not itself moved forward more quickly on such legislation. Hearings sometime after Easter are talked of, when the need is for an extension of benefit payments this week—certainly no later than the end of the month.

Hundreds of thousands of workers are about to exhaust their eligibility; many already have. Unemployment, unhappily, seems to be still growing, although official figures for early March still are lacking.

Quite apart from other measures on which caution is warranted, this aspect of the recession is truly an emergency requiring emergency action to alleviate individual hardship and to help sustain buying power.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

#### STAY OF REDUCTION IN SUPPORT PRICES OR ACREAGE ALLOTMENTS

Mr. JOHNSON of Texas. Mr. President, the Senator from Louisiana, the distinguished chairman of the Committee on Agriculture and Forestry [Mr. ELLENDER] has a motion he would like to make. Afterward, I should like to make an announcement.

Mr. ELLENDER. Mr. President, I ask that the message from the House of Representatives as to Senate Joint Resolution 162 be laid before the Senate.

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 162) to stay any reduction in support prices or acreage allotments until Congress can make appropriate changes in the price support and acreage allotment laws, which were, on page 2, line 9, strike out all after "be" down through "tion." in line 12, and insert "effective, with respect to price supports, only for the marketing year or season which begins in 1958 and, with respect to acreage allotments, through 1959 crops.", and to amend the title so as to read: "Joint resolution to stay temporarily any reduction in support prices or acreage allotments."

Mr. ELLENDER. Mr. President, I move that the Senate concur in the House amendments.

The only thing the House has done is to strike from the joint resolution passed by the Senate the provision that would make price supports and acreage allotments apply for an indefinite period; that is, until the law was repealed or new legislation passed.

The effect of the House amendment is merely to extend the 1957 price support levels as a minimum for 1 year—1958—and 1957 acreage allotments, as a floor for 1 year—1959. That is the only change.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. DIRKSEN. That is my understanding of the matter; that the joint resolution, as amended, is identical with the joint resolution as it passed the Senate except that the freeze in dollars and cents values shall be for only 1 year.

Mr. ELLENDER. The Senator is correct.

Mr. DIRKSEN. Mr. President, without taking any time to debate the matter, I wish to reaffirm my opposition to



the freeze as a matter of policy. If opportunity is given to me to vote, obviously I shall vote against concurrence in the House amendments.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Texas. Some of our friends want the yeas and nays on this matter. I know there are some Senators absent and I had hoped it would not be necessary to have a ye and nay vote, but I am informed by some of my friends on the minority side that they insist on the yeas and nays. I think Senators ought to be placed on notice that we will have a record vote, and therefore I now ask for the yeas and nays.

The PRESIDENT pro tempore. Is there a sufficient second?

The yeas and nays were ordered.

Mr. CURTIS. Mr. President, will the distinguished Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. CURTIS. I shall vote today for the resolution to freeze agriculture support prices and to prevent them from being lowered.

It is my hope that a better, more workable farm program, acceptable to the farmers, can be eventually enacted. The farmers are not receiving their just share of the national income.

Time does not permit a discussion of all of the points which ought to be considered in a long-range program which will in a sound manner increase the farmer's income.

I desire to express my position in favor of preventing a lowering of support prices.

When the joint resolution was before the Senate some days ago, it not only froze support prices, which was all right, but it froze acreage allotments, and made the freeze indefinite. The time limit in the resolution now before the Senate lessens the weight of the objections, and I shall vote to concur in the House amendments.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HRUSKA. I should like to associate myself with the remarks of the junior Senator from Nebraska.

I should like to make an inquiry of the chairman of the Committee on Agriculture and Forestry.

In the form in which the joint resolution was originally submitted to the Senate, without any limitation as to time, except for affirmative action taken by the Congress, it would have meant, would it not, a transfer from the national farm policy of flexible price supports to a rigid price-support program?

Mr. ELLENDER. No; that would not have been the case.

There would be nothing rigid about the stopgap price-support bill we adopted. As a matter of fact, I have seen that threadbare old argument dragged out and flogged so frequently by the Secretary of Agriculture and the White House that it is beginning to become somewhat ludicrous. It seems that

anything Congress does that Mr. Benson does not like he labels "rigid."

Let me state to the Senator that the bill we passed earlier this week would have merely fixed last year's support price and last year's acreage as a minimum below which future support prices and future acreages could not fall until Congress had been given an opportunity to act. Let me take just one good example—cotton. I think that this one example will prove, and the Senator will agree, that to label this bill "rigid" is purely poppycock.

Last year, cotton was supported at 78 percent of parity. Our measure provided that for 1958 and future years, until Congress provided otherwise, the price of cotton could not be supported at a price less than that in effect last year. Thus, the support price of cotton can still flex, provided it flexes upward from last year's level. Now, Mr. Benson has said this is terrible, but, as a practical matter, he has already set the price support for cotton in 1958 at 81 percent of parity, or 3 points higher than it was last year—3 points higher than the minimum floor called for in the Senate bill. The only thing rigid about the stopgap bill we have approved is Mr. Benson's unyielding attitude toward it, or any other measure which would give some relief to our farmers. The flexibility of the support price will remain the same, from whatever level prices were last year up to 90 percent.

Mr. HRUSKA. Is that true of any other commodity?

Mr. ELLENDER. That is true of any other commodity. In other words, the flexibility will be from last year's prices up to 90 percent.

Mr. HRUSKA. Is the chairman saying, then, that this is a freeze resolution, but it is not a freeze resolution?

Mr. ELLENDER. The freeze is at not less than 1957 prices; and, since the price in dollars and cents will be under 90 percent, the range of flexibility will be from last year's price up to 90 percent. I cited cotton as a specific example. The support for cotton was 78 percent of parity for 1957. Therefore, there is flexibility from 78 to 90 percent. That is demonstrated by the fact that the Secretary of Agriculture increased the price support for this year over the price of 1957.

Mr. HRUSKA. But the amendment now proposed will necessitate the review of the entire policy by the Congress in the next 12 months, will it not?

Mr. ELLENDER. Oh, yes. The price support is effective only for a year. The Committee on Agriculture and Forestry is now in the process of studying every proposal which has been submitted to it, and I hope before the session ends we shall have before the Senate for consideration an omnibus bill.

Mr. HRUSKA. Which will embrace all the factors we have been discussing in the course of the debate on the joint resolution?

Mr. ELLENDER. Yes.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield to the Senator from Vermont.

Mr. AIKEN. The amendments to the joint resolution which were made in the House make it a better measure. I hope the Senate will approve the amendments.

Mr. DIRKSEN. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. DIRKSEN. When this question first arose I contended that the joint resolution represented a reversal of policy, and that it was in contravention of the recommendations made by the President in his state of the Union message, as well as his agricultural recommendations. I stated that in my judgement, right or wrong, the result would be to pile up surpluses. It will cause no end of trouble for us, so I wish to reassert my opposition to this proposal.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. YOUNG. I wish to reaffirm my support of the joint resolution. The form in which the House passed it is acceptable.

The joint resolution will freeze the price supports at no less than last year's level. It seems to me that this is not asking too much. This is the price level which the President himself established as a compromise price support level 2 years ago when he vetoed the farm bill. That was at a time when farm operating costs were considerably less than they are today. If that was a fair price 2 years ago, it is certainly low enough now.

This is stopgap legislation, which will help farm prices, and add nothing to the cost of food.

Mr. ELLENDER. The Senator is correct.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Louisiana [Mr. ELLENDER] to concur in the House amendments to Senate Joint Resolution 162.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The question is on agreeing to the motion of the Senator from Louisiana [Mr. ELLENDER] to concur in the House amendments to Senate Joint Resolution 162. The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. JOHNSON of Texas. Mr. President, on this vote I have agreed to give my friend, the senior Senator from California [Mr. KNOWLAND], a pair. If he were present and voting, he would vote "nay"; if I were permitted to vote, I would vote "yea." In view of my agreement with the Senator from California, I withhold my vote.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. HENNINGS], the Senator from Washing-



ton [Mr. JACKSON], the Senator from Washington [Mr. MAGNUSON], the Senator from Michigan [Mr. McNAMARA], the Senator from Oregon [Mr. MORSE], the Senator from Rhode Island [Mr. PASTORE], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

The Senator from Massachusetts [Mr. KENNEDY] is absent because of illness.

On this vote, the Senator from Washington [Mr. JACKSON] is paired with the Senator from Rhode Island [Mr. PASTORE]. If present and voting, the Senator from Washington would vote "yea" and the Senator from Rhode Island would vote "nay."

I further announce that, if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. HENNINGS], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Washington [Mr. MAGNUSON], the Senator from Oregon [Mr. MORSE], and the Senator from North Carolina [Mr. SCOTT] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Utah [Mr. BENNETT] is absent because of death in his family.

The Senator from Kentucky [Mr. COOPER] and the Senator from Iowa [Mr. HICKENLOOPER] are necessarily absent.

The Senator from California [Mr. KNOWLAND] is necessarily absent and his pair with the Senator from Texas [Mr. JOHNSON] has been previously announced.

The Senator from Vermont [Mr. FLANDERS] and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

On this vote the Senator from Kentucky [Mr. COOPER] is paired with the Senator from Utah [Mr. BENNETT]. If present and voting the Senator from Kentucky would vote "yea" and the Senator from Utah would vote "nay."

On this vote the Senator from Wisconsin [Mr. WILEY] is paired with the Senator from Iowa [Mr. HICKENLOOPER]. If present and voting the Senator from Wisconsin would vote "yea" and the Senator from Iowa would vote "nay."

The result was announced—yeas 48, nays 32, as follows:

## YEAS—48

Aiken	Fulbright	Murray
Allott	Gore	Neuberger
Anderson	Green	O'Mahoney
Bible	Hayden	Potter
Carlson	Hill	Proxmire
Carroll	Hruska	Russell
Case, S. Dak.	Humphrey	Schoeppel
Church	Johnston, S. C.	Smathers
Clark	Kefauver	Sparkman
Curtis	Kerr	Stennis
Douglas	Langer	Symington
Dworshak	Long	Talmadge
Eastland	Mansfield	Thurmond
Ellender	McClellan	Thye
Ervin	Monroney	Yarborough
Frear	Mundt	Young

## NAYS—32

Barrett	Goldwater	Morton
Beall	Hoblitzell	Payne
Bricker	Holland	Purtell
Bridges	Ives	Revercomb
Bush	Javits	Robertson
Butler	Jenner	Saltonstall
Byrd	Kuchel	Smith, Maine
Capehart	Lausche	Smith, N. J.
Case, N. J.	Malone	Watkins
Cotton	Martin, Iowa	Williams
Dirksen	Martin, Pa.	

## NOT VOTING—16

Bennett	Jackson	Morse
Chavez	Johnson, Tex.	Pastore
Cooper	Kennedy	Scott
Flanders	Knowland	Wiley
Hennings	Magnuson	
Hickenlooper	McNamara	

So the motion was agreed to.

Mr. ELLENDER. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER (Mr. FREAR in the chair). The question is on agreeing to the motion of the Senator from Texas to lay on the table the motion of the Senator from Louisiana to reconsider.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Morning business is in order.

## SEVENTIETH CONVENTION OF SOUTH CAROLINA EDUCATION ASSOCIATION

Mr. JOHNSTON of South Carolina. Mr. President, as education is a basic weapon in the unceasing effort to maintain a free world, I note with pleasure that the 70th convention of the 108-year-old South Carolina Education Association is underway today at Columbia. Upward of 5,000 teachers and administrators will be in attendance.

A convention of educators is a matter of prime importance today, for education is a democratic arsenal that bulwarks our national freedoms.

This convention of South Carolina educators and administrators is timely, and its deliberations represent a national service. After all, the hard core of national security lies in the way our people feel about their country, its institutions, its moral values. Educators are in the front line of the never-ending battle to preserve American liberties. The classroom is truly the seeding place for future patriots.

Mr. President, we have made and are making progress all along the line in the matter of physical weapons for our protection, but arms by themselves are not sufficient for national security. Of major importance are the people themselves: their devotion to democratic ideals and institutions; the measure of their willingness to undergo sacrifice for the well-being of the Nation; their alertness to the problems and threats of the day; their understanding of the forces which menace the peace. The stake the individual has in democracy and his complete awareness of it is the vital question. Education thus becomes a prime weapon for freedom.

Broadly considered, the world today is divided into two rival educational camps: one recognizes man as a creation of God, endowed with individual rights, at liberty to pursue his own destiny, and to develop his talents in freedom. The other regards man as a thing, soulless, to be used, exploited, and degraded by an all-powerful state which denies him his dignity, robs him of his self-respect,

presses him into the slave-labor camp. Thus is the essential difference between democracy and communism.

America's tradition of free education is one of our Nation's richest inheritances. We of South Carolina have an especial interest in expanding educational opportunities and improving the quality of education. According to the findings of the research division of the National Education Association, 29 percent of South Carolina's population falls into the age bracket of from 5 to 17 years. Thus, South Carolina leads all the States in the important school-age population.

The investment America makes in education will be repaid manifold. An enlightened citizenry is the Nation's best safeguard. It is sound policy to provide physical school facilities for our expanding population; to upgrade teachers' salaries to the point where candidates for this vital profession will be encouraged to enter the teaching field; and to establish incentives for an ever-growing student body, insuring unto ourselves the quality of leadership needed in the vitally challenging decades ahead.

The people of South Carolina in recent years have made tremendous sacrifices in order to build one of the finest public-school systems in the Nation. They have levied special taxes to support public-school construction programs, and today South Carolina is equipped with a physical public-school system second to none. South Carolina is fortunate to have such excellent, patriotic, and devoted educational leaders.

I think the respect the people of South Carolina have for the value of education is reflected in their willingness to support this program of school construction.

The parents and students of South Carolina are fortunate in having a dedicated and able teaching corps. The teachers and educational administrators of South Carolina are cultural, moral, and intellectual leaders whose guidance, counsel, and devotion represent the highest concepts of American leadership.

Working together—student, teacher, parent, and government—with God's blessing, we shall develop a generation of Americans whose patriotism, courage, judgment, resourcefulness, and capacity for leadership will provide bright hope for the future. In this spirit, I salute the officers and membership of the South Carolina Education Association, in convention assembled.

The PRESIDING OFFICER. Under the 3-minute limitation, the time available to the Senator from South Carolina in the morning hour has expired.

## PAKISTAN INDEPENDENCE DAY

Mr. THYE. Mr. President, Sunday will mark another day of importance in a tiny country half a world away. On March 23 the little Republic of Pakistan will celebrate the second anniversary of the date when it officially became a Republic.

I believe it is fundamental that, whenever possible, we officially note an anniversary of independence. The world



will know that we mark freedom and liberty wherever these things have importance and meaning.

On March 23, 18 years ago, the famous Pakistan resolution was forwarded to the all-India Muslim League, at Lahore. This resolution for the first time put on the record a demand for a separate independent Muslim state in the Indian subcontinent.

We in the United States have a real friend in the Republic of Pakistan. Together, we have spelled out our common purpose in fighting the menace of communism, by our mutual participation in the Seato Pact.

It has been mentioned that it goes without saying that America holds a continuing and vital interest in Pakistan and her democratic development. Perhaps this is so. But I claim it should go with saying that we will continue to encourage the growth of countries which are pressured on all sides by communism. We should say it again and again. And we should say—today—that our best wishes go to Pakistan on her second birthday of liberty.

### THE ARKANSAS BASIN PROJECT

Mr. MONRONEY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an excellent article, entitled "The Arkansas Basin Project," written by my colleague, the senior Senator from Oklahoma, published in the Work Boat, 1957 annual review number.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### THE ARKANSAS BASIN PROJECT

(By the Honorable ROBERT S. KERR, United States Senator from Oklahoma)

Some 30 miles north of Tulsa is the town of Oologah, Okla. A short distance from its principal streets, Cooweescooe Avenue and Cowtrail Boulevard, runs the Verdigris River.

Will Rogers was born here on the banks of the Verdigris when it was a proud, active waterway. He loved this river almost as much as another great humorist, Mark Twain, cherished the Mississippi, and he often mentioned it in his writing.

At the time of Rogers' death in Alaska, the Verdigris in many areas had become a neglected, heavily vegetated ditch.

Downstream, midway between Tulsa and Oologah is the city of Catoosa. It appears to be an ordinary prairie town; but if plans now authorized by the Congress find fruition, Catoosa will serve as a bustling river port for the nearby metropolis of Tulsa, and will become the terminal of more than 500 miles of lush industrial development along the Arkansas Basin.

Steamboats once paddled from the Mississippi up the Arkansas River all the way to Wichita, Kans., where the "Arkansaw" suddenly and mysteriously became the "Arkansas."

Earlier, these historic rivers channeled explorers into Oklahoma and adjacent States. Spanish explorers in the 16th century first pierced this western wilderness in hollowed-out log boats and buffalo hide canoes.

Later, shallow keelboats and sternwheeled steamboats made scheduled runs from New Orleans to Fort Gibson, Okla. It was the keelboat that brought the soldiers who built Fort Smith, Ark., in 1817, and Fort Gibson and Fort Towson in 1824, together with the

equipment and supplies essential to their work.

By the turn of the century, however, water transportation in this area had given way to other modes of travel. Today the river in its natural condition is completely unsuited for continuous navigation, because of its extremely low flow during dry periods, and as the result of a heavy sediment load which it deposits in the form of obstructive bars.

With an eye to fantastic advantages in freight rates enjoyed in the great river valleys and along the gulf coast, the Congress in 1946, as a part of the River and Harbor Act, authorized a project for the improvement of the Arkansas River for navigation and related multiple-purpose development.

The primary purpose of this legislation was to provide a 9-foot channel up the Arkansas River from its confluence with the Mississippi River to the mouth of the Verdigris River in Oklahoma. Fifty-two miles of the Verdigris—up to the town of Catoosa—were included in the project, which will cover 512 miles of vital waterway.

The authorized program for the Arkansas Basin calls for the construction of 30 flood-control or multiple-purpose reservoirs, including two non-Federal reservoirs, Pensacola and Markham Ferry, in Oklahoma.

Of these, 14 already are finished. Five more are under construction. A total of \$11,900,000 was appropriated for work on these five reservoirs during the fiscal year 1957, plus \$3 million more for bank stabilization work.

This program is a long-range, multiple purpose, comprehensive project that, depending upon appropriations, could be completed by 1973. The reservoir program in the Arkansas Valley is well along, but the Arkansas River navigation project is just starting.

Since the navigation development must be built essentially as a unit under a well-planned and continuing construction schedule, little evidence can yet be found along the riverbed and channels of any forward steps toward actual barge traffic.

This lack of evidence each dry summer creates in many minds an understandable doubt as to the eventual success of the navigational phase of the project. Sweltering farmers, noting their empty rain barrels and the powdered creek beds, express concern that is faithfully reflected in many newspaper cartoons.

Editorial pages frequently appear with huge oceangoing vessels plying their way through Oklahoma's "desert," always, incidentally, with some identifying tag to associate me with this incredible shipping development.

It is, truly, a gargantuan engineering undertaking. The project as authorized will represent an expenditure of \$1¼ billion. It will take at least 15 years to complete it, and it will cost an average, in peak years, more than \$100 million.

In recognition of the peculiar characteristics of the waterways, the project was designed with three large reservoirs: Oologah, Keystone, and Eufaula, all in Oklahoma.

The first, Oologah, is on the Verdigris River a short distance above the planned head of navigation. It will store water for augmenting the flow of the Verdigris and Arkansas Rivers during dry periods. It also will provide substantial flood-control and water-supply benefits. Tulsa already has agreed to pay for a large amount of the available water-supply storage.

Keystone Dam, on the Arkansas below Tulsa, and Eufaula Dam, on the Canadian River near its mouth in the Arkansas River, serve to store water for release during low-flow periods, and to trap the large amount of sediment carried by both rivers. They also provide significant flood-control storage.

Above Pine Bluff, Ark., the river would be improved by four large locks and dams in

the upper portion of the Arkansas. These are Dardanelle and Ozark locks and dams in Arkansas, and Short Mountain and Webber Falls locks and dams in Oklahoma.

The remainder of the Arkansas above Pine Bluff would have 10 smaller locks and dams, and the Verdigris would have 3.

Between Pine Bluff and the Mississippi the authorized plan provides for 3 smaller locks and dams and a dam on the Arkansas, a canal with a lock to cut across country to the White River, and 2 locks and dams and a dam on the White River.

A lateral canal on the north bank of the Arkansas from Pine Bluff to the Mississippi would be an optional, and perhaps preferable, solution, requiring a dam just downstream from Pine Bluff on the Arkansas, and 1 on the White River, with perhaps 5 locks. Bank protection of the Arkansas would be included in the project from the Mississippi to Short Mountain Dam.

So, it is apparent the authorized project is an extensive development, but one which has been justified again and again after thorough study by Army engineers. And here is why:

Experts have determined that the navigation benefits derived from this completed project will include the movement of 13 million tons of freight annually, on the average.

The nature of this traffic on the Arkansas, it was estimated, would include, in millions of tons per year: Petroleum products, 3.8; iron and steel products, 3.7; and coal, 1.3.

This same group of experts has assumed that the average savings in transport costs per ton of cargo will be \$3.06. This figure, they point out, was arrived at from extensive data on rail rates and experienced costs of operating barge lines. It compares favorably with figures garnered from years of operations on other waterways.

Comparisons with other waterways indicate that the Missouri River more nearly resembles the Arkansas than any of the others, although there are major differences in the types of cargoes anticipated.

The Missouri River Basin project is still under construction and reliable depths below Kansas City have been only 6.5 feet, as compared to a project depth of 9 feet on the Arkansas. Despite this handicap, commercial traffic increased 40 percent in 1955 and even greater traffic is anticipated.

The amazing growth of the Ohio Valley, with the completion of the navigation project, has added impetus to the Arkansas project.

The Ohio River project was begun about half a century ago. The flood control reservoir system, which is still only 40 percent complete, started about 20 years ago. The industrial development of the Ohio River Basin has flourished with the aid of those programs.

Some \$10 billion worth of new plants have been erected in that region within the past 10 years alone. And this development has been based primarily upon three factors: Coal, cheap water transportation, and abundant water supply.

It should be pointed out here that eastern Oklahoma and western Arkansas contain one of the largest known reserves of coal. But presently the mines in these areas are closed because the coal is landlocked and not competitive with less desirable coal from other areas having the benefit of water transportation.

Commercial fertilizers, particularly phosphates, are used only to a limited extent in the areas tributary to the Arkansas River, primarily due to excessive freight rates. The need for these fertilizers is abundant in this entire area.

With the development of common carrier barges—modern diesel towboats equipped with radar, radiophone, and having a towing capacity of nearly 30,000 tons—the materials











# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued March 26, 1958  
For actions of March 25, 1958  
85th-2d, No. 48

## CONTENTS

Acreage allotments.....1,2		
Administrative procedure.....35		
Appropriations.....11,14,15		
Buildings.....14,34		
Civil defense.....14		
Cooperatives.....26		
Corn.....12	Guar seed.....16	Prices.....30
Dairy price supports.....5	Household goods.....16	Public Law 480.....10,27
Distressed areas.....29	Imports.....16	Public works.....37
Durum wheat.....2	Interest rates.....8	Purchasing.....14,38
Economic situation.....17	Intergovernmental relations.....31	Retirement.....14
Electrification.....4,8,26	Lands.....19,41	Roads.....3
Farm prices.....7	Lease-purchase.....14	School lunch.....8
Farm program.....1,13,22	Livestock.....21	Soil bank.....12,33
Fisheries.....36	Marketing quotas.....2	Textiles.....20
Flood control.....28	Onions.....23	Transportation tax.....25
Foreign aid.....10,18	Personnel.....14,24,32	Unemployment compensation.....9
Foreign trade.....27,39	Price supports.....1,13	Wildlife.....33,40
Forestry.....3,6		

HIGHLIGHTS: See page 9.

## SENATE

1. FARM PROGRAM. Sens. Ellender and Kerr urged the President to sign S. J. Res. 162, the measure to freeze acreage allotments and price supports at 1957 levels. Sen. Ellender contended that newspaper statements that the measure would freeze prices were not true, instead the measure "merely tells the Secretary of Agriculture that he shall not further depress farm prices below the prices that were paid farmers in 1957, which means that the farm prices on all basic commodities can flex upward to 90 percent from the prices paid last year." Sen. Kerr stated that "there is no segment of our economy with reference to which the need is greater or with reference to which remedial action will be more effective in overcoming the recession than the segment of agriculture."  
pp. 4653-54, 4657-58
2. DURUM WHEAT. The Agriculture and Forestry Committee reported with amendment S. 3120, to modify the acreage-allotments and marketing-quotas requirements regarding durum wheat in the Tule Lake area, Modoc and Siskiyou Counties, Calif. (S. Rept. 1418). p. 4608



3. ROADS. Continued debate on S. 3414, authorizing appropriations for the construction of roads, including forest highways and forest roads and trails. Agreed to a unanimous consent agreement limiting debate to "four hours on the so-called billboard amendment, and 3 hours on the utility amendment," 1 hour on any other amendment, and 4 hours on the question of final passage. Pending is the amendment by Sen. Kerr to strike out sec. 12 of the bill to regulate billboards along any portion of the interstate system. pp. 4629-52, 4662-74, 4682-83

Following are excerpts from the committee report on the bill:

"The committee believes that an increase in forest-highway funds is warranted and justified to improve and maintain these highways to carry the present traffic loads, and to bring them to a condition comparable to the adjoining and connecting roads that are located on lands that are on the local tax rolls. An increase in forest-highway funds from \$30 million to \$36 million for fiscal years 1960 and 1961 is recommended.

"The \$30 million authorized for forest highways for fiscal year 1959 was apportioned to the States on November 6, 1957, in accordance with a revised apportionment formula resulting from recent valuation studies by the Forest Service which showed that the value of national forest land had increased approximately 340 percent over the value upon which the apportionment for fiscal year 1958 was based. Under existing law, forest-highway funds are apportioned for expenditure in the several States according to the area and value of the land owned by the Government within the national forests. The law does not specify the weight to be given to the factors of area and value. Prior to the recent reappraisal of value, apportionments have been made giving equal weight to each factor. To minimize the change in distribution of funds as compared with prior years, the Secretaries of Agriculture and Commerce after analysis of the reappraisal of value, made the apportionment of the forest-highway funds for fiscal year 1959 on the basis of 75 percent weight to area and 25 percent to value. This change in formula reduced the apportionments received by some States and increased them in others.

"The committee was concerned about this change in apportionment formula by the Secretaries without consultation with State or local officials or Members of the Congress. It would be difficult to adjust the apportionments already made for fiscal year 1959, and the committee recommends approval of such apportionments. It further recommends that the apportionment of forest-highway funds authorized in this bill for fiscal year 1960 and 1961, be made on a basis which will give each State the same percentage of such funds as if received from the apportionment of funds for fiscal year 1958. The committee has included in the bill provisions for the Secretary of Commerce and the appropriate officers of each State to make a study of the forest-highway situation, including designations, estimated cost to complete construction of all forest highways, a recommended 10-year program for construction of the proposed system, and the method by which such amounts should be apportioned for expenditure in the States. The results of the study are to be reported to the President and the Congress on or before January 1, 1960.

"The committee included provisions in the bill that would permit any State to augment the apportionments made to such State for forest highways by transfer of not to exceed the lesser of \$500,000 or 5 percent of its regular Federal-aid apportionments, for construction, reconstruction, or improvement of its forest highways, such transferred funds to be expended in the same manner as the forest-highway funds without matching. The committee believed that this provision would be particularly advantageous to States whose forest-highway apportionments are small, but which have important segments of forest highways in need of improvement. It is the intent of the committee, however, that these transferred funds be expended only on forest highways that are on a Federal-aid highway system. ...



"In order to assure that the Congress will have ample opportunity to cooperate in the development of a long term road program when it reconsiders forest road matters in 1960, the committee will request the Department of Agriculture to submit a detailed program as soon as possible. This program should include estimates of road requirements for timber harvesting, recreational use, general use and protection, and the cost thereof, for each national forest and summarized by States. Forecasts of the type of roads that should be constructed with appropriated funds and those that should be built as a part of timber sale contracts should also be provided, with sufficient information on national forest resources and use potential to establish the economic justification for an adequate road program. Information should be furnished on the benefits to various forest activities that will be realized by implementation of a long-range program as well as losses to the economy that will occur if a long-range program is not promulgated.

"In connection with the above data, the Department of Agriculture should set forth any legislation that may be needed to promote the most effective operation of a forest road program utilizing both appropriated funds and timber purchaser road construction. ...

"The committee is also impressed by the need in certain areas to step up road and trail construction to eliminate terrifying fire hazards in vital watersheds. The House Interior and Insular Affairs Committee hearings on forest-fire control in southern California spotlight a most aggravated problem facing the Nation. Properly constructed and controlled roads will enable Forest Service fire fighters to attack these fires which denude the brush-covered hills and permit subsequent rains to flood heavily populated areas with debris and water.

"The committee believes it to be in the interests of the Federal Government to protect its natural resource represented by the national forests, and to develop that resource for the benefits that will be realized, not only in cash returns, but also in making available large areas for recreation and enjoyment of our citizens. It therefore recommends increasing the authorization of funds for forest development roads and trails from the present \$27 million to \$34 million for each of the fiscal years 1960 and 1961."

4. ELECTRIFICATION. Sen. Humphrey inserted a Minn. Electric Cooperative resolution commending REA Administrator Hamil "for the effective and satisfactory manner in which he has discharged his duties." p. 4608

Sen. Proxmire inserted a Land O'Lakes Cooperative resolution requesting that interest rates on REA loans not be raised, and that "the REA Administrator be given full authority to approve loans, which authority was granted to him in the original REA Act of 1936." pp. 4616-17

5. DAIRY PRICE SUPPORTS. Sen. Proxmire spoke in opposition to the announced cut in dairy price supports, and inserted a letter from a Wisc. County Agent to the Secretary opposing the announced cut. p. 4617

6. FORESTRY. Sen. Murray commended, and inserted a newspaper article commending, Sen. Neuberger for his efforts to work out a solution for the disposition of Klamath Indian lands, including timber lands. pp. 4624-25

7. FARM PRICES. Sen. Humphrey inserted a local Farmers Union resolution urging Congress "to restore farm prices to full parity level." p. 4608

8. ELECTRIFICATION; SCHOOL LUNCH. Sen. Thye inserted a Minn. Elevator Assoc. resolution opposing any increase in interest rates on REA loans, and urging all schools to participate in the school lunch program. p. 4606



9. UNEMPLOYMENT COMPENSATION. Both Houses received from the President a message recommending enactment of legislation for the temporary continuation of unemployment benefits to individuals who have exhausted their benefits under State and Federal laws (H. Doc. 358). pp. 4653, 4725-26

Both Houses received from the Secretary of Labor a proposed bill to provide for temporary additional unemployment compensation; to S. Finance and H. Ways and Means Committees. pp. 4606, 4745

10. FOREIGN AID. Sens. Kennedy and Cooper urged additional aid for India, including that under Public Law 480. pp. 4674-82

HOUSE

11. SECOND SUPPLEMENTAL APPROPRIATION BILL. Agreed to the conference report on this bill, H. R. 10881 (pp. 4687-93). Concurred in the Senate amendments to the USDA items which had been reported in disagreement (pp. 4693-4). Rep. Reuss urged opposition to the Senate amendment continuing the acreage reserve limitation of \$3,000 per farm and proposed instead that it be \$3,000 per producer (pp. 4690-3).

The Senate also agreed to the conference report and acted upon amendments that had been reported in disagreement (pp. 4658-59). This bill will now be sent to the President.

Sen. Hayden inserted a table showing the budget estimates, the House and Senate versions of the bill, and the amounts agreed to in conference. pp. 4659-62

12. CORN. Received the conference report on H. R. 10843, to permit soil bank payments to certain corn producers in the commercial area who exceed their corn acreage allotments (see Digest 47 for explanation). ~~The Senate has~~ agreed to the conference report. pp. 4701, 4746

13. FARM PROGRAM. Several Reps. discussed the administration's farm program and the price support and acreage allotment freeze resolution, S. J. Res. 162. Rep. Rhodes urged the President to veto the resolution (p. 4725). Reps. Hiestand, Frelinghuysen, Derounian, Teague (Calif.), and Sheehan stated that the measure would raise consumer food costs (pp. 4735-6). Rep. Curtis (Mo.) defended the economic soundness of the administration's farm program (pp. 4736-7). Rep. Alger stated there were too many farmers due to the high price supports (pp. 4736-8). Rep. Rhodes urged that farmers be treated like businessmen, and encouraged to produce more (p. 4738). Rep. Thomson (Wyo.) urged a return to the free market and no production limitations (p. 4738). Rep. Bass (N.H.) contended that present farm programs result in a double cost to the consumer (pp. 4738-9), and Rep. Neal agreed (p. 4739). Rep. Derounian stated that the cost to store food was excessive and led to higher food costs (p. 4739). Rep. McCarthy referred to the interdependence of farmer and consumer, the cost investment in farming, and contended that the farmer has been underpaid in recent years despite increased food costs and greater USDA expenditures (pp. 4742-3). Rep. Reuss criticized the Secretary for allegedly concealing the first edition of Farm Population Estimates of 1957, and stated that the Secretary erred in "disregarding the \$3,000 acreage reserve limitation per producer, in buying cheese from processors in 1954, in increasing the size of USDA, in dealing with a Mr. Jonkel to sell rice to Indonesia, and in draining wetlands (pp. 4743-4).



chusetts suggests that he believes the determination of the basic period for which unemployment compensation benefits should be payable should not be a matter of judgment for the States, but should be a matter of judgment for the Federal Government.

Mr. KENNEDY. That is correct. I think there should be minimum standards of duration and amount.

Mr. CASE of South Dakota. I merely wish to observe that many States, by their employment policies and by the careful protection of their reserves, have sought to build up a substantial reserve fund. I think the Federal Government should cautiously approach any attempt to take from the States the right to determine the period for which their unemployment benefits may be payable.

Mr. KENNEDY. Unemployment is a national problem, not a State problem. No. 1, the problem is almost uniform across the country. No. 2, States have failed to adopt recommendations which the President has been making since 1953, to provide within their own borders, minimum standards of duration and amount.

All I have suggested in my bill is that the Federal Government make compulsory the minimum standards the President recommended for 4 years, because States have shown they are either unwilling or in some cases unable to do so because of competitive features with which the Senator is familiar.

I thank the Senator from Tennessee.

#### TEMPORARY CONTINUATION OF UNEMPLOYMENT COMPENSATION BENEFITS—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 358)

The PRESIDING OFFICER. The Chair lays before the Senate a message from the President of the United States on the unemployment situation.

The Chair is informed an identical message was transmitted to the House today, which was read and referred.

Without objection, the message to the Senate will be printed in the RECORD, without reading, and referred to the Committee on Finance.

The message from the President is as follows:

#### To the Congress of the United States:

I recommend to the Congress the enactment of legislation to provide for the temporary continuation of unemployment compensation benefits to otherwise eligible individuals who have exhausted their benefits under State and Federal laws. I believe that these workers and their families should be enabled temporarily to receive weekly benefits for a longer period than is now in effect so that in the current economic situation they and their families can obtain a greater measure of security.

These recommendations reflect my strong conviction that we must act promptly, emphatically, and broadly to temper the hardship being experienced by workers whose unemployment has been prolonged. They also reflect my conviction that the need for additional

assistance to these workers will be of relatively brief duration.

Such legislation should not encroach upon the prerogatives which belong to the States, and matters of eligibility, disqualification, and benefit amounts should be left to the States. The legislation should provide, however, for the payment, to individuals who have exhausted their regular unemployment compensation benefits, of temporary benefits for an additional period equal to one-half of the duration of their regular benefits.

The State employment security agencies and the Railroad Retirement Board would administer the program. The Government would be reimbursed for the costs incurred by it for this program in each State through an increase, 4 years after the program's end, in the tax payments to the Federal Government by employers in that State under the Federal Unemployment Tax Act. Any State, however, that wished to avoid an increase in such tax on the payrolls of employers within the State, could provide for reimbursements to the Federal Government either by direct appropriation or by authorizing transfers from its credit in the unemployment trust fund.

The temporary Federal assistance which this program provides, while of great immediate benefit, is in no sense a substitute for extending the coverage of unemployment compensation which I have previously recommended, or for appropriate State action extending the duration of benefits and increasing benefit amounts which I have previously urged upon the States.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, March 25, 1958.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, returned to the Senate, in compliance with its request the bill (S. 1538) to provide for the adjustment of the legislative jurisdiction exercised by the United States over land in the several States used for Federal purposes and for other purposes.

#### ENROLLED BILLS SIGNED

The message announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 10881. An act making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes; and

H. R. 11086. An act to amend the Agricultural Adjustment Act of 1938, as amended, with respect to wheat acreage history.

#### APPEAL TO PRESIDENT TO SIGN FARM BILL

Mr. GORE. Mr. President, I ask unanimous consent that I may be permitted to yield, without losing my right to the floor, to the distinguished senior Senator from Oklahoma [Mr. KERR] for

the purpose of his making a brief statement on a subject other than the bill under discussion; and that I further be permitted to yield to the distinguished junior Senator from Louisiana [Mr. LONG] and his colleague [Mr. ELLENDER] for the purpose of making a statement on a still different subject.

The PRESIDING OFFICER (Mr. CARROLL in the chair). Is there objection to the request of the Senator from Tennessee? The Chair hears none, and it is so ordered.

The Senator from Oklahoma is recognized.

Mr. KERR. Mr. President, I wish to join the distinguished Senator from Texas [Mr. JOHNSON] in the public appeal he made Saturday and Sunday that the President sign the farm bill enacted by the Congress and sent to the President for his action.

I believe the President of the United States has evidenced a sincere desire to help overcome the recession now gripping the Nation. On the basis of his desire to do so, I remind him there is no segment of our economy with reference to which the need is greater or with reference to which remedial action will be more effective in overcoming the recession than the segment of agriculture.

In the first place, Mr. President, the agricultural segment of our economy represents about \$180 billion of investment. That means agriculture is larger of itself, both in investment and in the number of people affected primarily by it, than the total of the next three greatest industries in our country combined.

Considering the fact that this predominantly important segment of our economy has suffered so much in comparison with any other or in comparison with all other segments of our economy, I urgently request the President to keep it in mind and give agriculture the consideration to which it is entitled, because I believe if he does he will sign the farm bill.

The President has said many things about many segments of our industry and our economy. Members of the Senate have said much about many segments of our economy. But, Mr. President, unless the agricultural bill sent to the President by the Congress, is signed, it perhaps will be true that nothing can or will be done in the present session to aid this most important and largest segment of our economy—agriculture.

When we look at the cold figures for 1952 through 1957 we find that labor income has increased from \$190.3 billion to \$246.6 billion; that business and professional personal income has increased from \$25.7 billion to \$28.7 billion; that rental income of persons has increased from \$9.9 billion to \$10.4 billion; that dividends have increased from \$9 billion to \$12.3 billion; that personal interest income has increased from \$12.3 billion to \$18.8 billion; but that in the same period, the personal net farm income has declined from \$14.3 billion to \$11.5 billion.

From every conceivable angle our agricultural economy is the one most in



need of having the environment in which it operates improved, so that the average farm family can look forward to increased income and more prosperous conditions.

On that basis, I join the distinguished Senator from Texas and others in a public appeal to the President of the United States to sign the bill passed and sent to him by the Congress.

I thank the distinguished Senator from Tennessee for yielding me this time.

The PRESIDING OFFICER. The Senator from Louisiana [Mr. LONG] is recognized.

#### A QUESTION OF HONOR AT FORT POLK, LA.

Mr. LONG. Mr. President, on June 13, 1955, a press release was issued on behalf of the Department of the Army and the State of Louisiana to the effect that Camp Polk would be reopened on a permanent basis and designated Fort Polk. This announcement followed extensive and formal negotiations between officials of the State of Louisiana and the Department of the Army. It represented beyond question a contract between the Department of the Army and the officials and citizens of the State of Louisiana, whom I have the great good fortune to represent here in the Senate.

I ask unanimous consent to have printed in the RECORD at this point the full text of this news release.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

The Department of the Army and State of Louisiana today announced an agreement under which Camp Polk, La., will be reopened on a permanent basis, providing the State and property owners will insure the use of the 7 million-acre large-scale maneuver area on a continuing basis.

The maneuver area which includes approximately 600,000 acres of Government-owned land will entail no cost to the Army except for that involved in restoration and claims payment to property owners in the area for actual damage done to property during maneuvers. The Army pointed out since the maneuver land will be available to it under a continuing basis, the reopening of Camp Polk as a permanent installation is essential in the view of a need for an active Army installation to serve as a base to support maneuver operations. Camp Polk has been in a standby status since June 1954. Approximately 100,000 troops will be phased into the area in connection with forthcoming large-scale fall maneuvers dictated by the needs to conduct troop tests to meet new and changing conditions of warfare.

Army engineers, with the assistance of State officials, will proceed immediately to acquire the land use permits. The vanguard of troops will begin to move into the Camp Polk area following the acquisition of the maneuver area.

Identification of troops to be stationed permanently at Camp Polk has not been made by the Army since the station list is in the planning stages.

The area involved is bounded roughly by the Sabine River on the west; U. S. Highway 80 on the north; U. S. Highway 90 on the south; and by a north and south line running through Alexandria, La., on the east. In addition, logistical support operation will be conducted in areas both north and south of this area.

Mr. LONG. There are a number of official documents having a security classification which have been seen by me and which present the detail of the negotiations leading to the public announcement to which I have just referred. I cannot, of course, introduce these documents into the public record.

I can say, however, that in the course of these official negotiations, it was proposed by the Department of the Army that the guarantee with regard to maintaining Fort Polk as a permanent establishment be limited to 15 years. This proposal was flatly refused by the official representatives of the State of Louisiana and the agreement finally arrived at contained no time limitation.

At this point, Mr. President, I ask unanimous consent to have inserted in the RECORD a letter dated October 17, 1955, which was signed by the Secretary of the Army, Mr. Wilber M. Brucker, and which was addressed to the then Governor of Louisiana, Mr. Robert F. Kennon.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE ARMY,  
Washington, October 17, 1955.

Hon. ROBERT F. KENNON,  
Governor of Louisiana,  
Baton Rouge, La.

DEAR GOVERNOR KENNON: I have your telegram and confirming letter of October 14 and appreciate the splendid cooperation extended by you, Adjutant General Fleming, and other State officials in securing the necessary maneuver rights over approximately 7 million acres of land adjacent to Camp Polk, La.

I was pleased to hear from Assistant Secretary Davis that General Fleming advised him last night of the written consent just received from Mr. Stark, giving his consent for the 129,732 acres controlled by him.

I am sure that you have been advised by the adjutant general of his understanding with Assistant Secretary Davis that the acquisition of such maneuver rights over the area of approximately 7 million acres, without cost to the Army, not only for the present but for future years, was a condition precedent to declaring Camp Polk a permanent post.

It is unfortunate that several land owners whose acreage is essential for the maneuvers have been reluctant to sign the necessary agreement. I appreciate your intention to file expropriation proceedings through the attorney general of your State, through which you expect to secure easement rights in the land and thus afford maneuver privileges to the Army without cost to the United States Government. I urge you to continue efforts to secure, voluntarily, permission from all necessary owners.

Under the present circumstances, I am now authorizing the Army to activate Camp Polk in anticipation of your securing necessary rights, voluntarily if possible, or through legal proceedings. It is the intention of the Army to use the area for maneuvers this fall. As soon as I have secured the assurance that the necessary maneuver rights have been secured, it is my intention to designate Camp Polk a permanent Army installation.

Sincerely,

WILBER M. BRUCKER,  
Secretary of the Army.

Mr. LONG. Senators will note that this letter represents a firm contract in which the last sentence is the principal clause which is as follows:

As soon as I have secured the assurance that the necessary maneuver rights have been secured, it is my intention to designate Camp Polk a permanent Army installation.

As Senators will see, this arrangement involved the securing of a maneuver area of approximately 7 million acres without cost to the Army and, as stated in the third paragraph of Mr. Brucker's letter: "without cost to the Army, not only for the present but for future years, was a condition precedent to declaring Camp Polk a permanent post."

Mr. President, most of the people in the area voluntarily gave the maneuver rights requested of them without payment. The State of Louisiana in its sovereign capacity placed such importance on this matter that it used its legal powers to force some of its citizens to grant these rights. Both the officials of the State and its citizens have kept and are keeping their side of this bargain.

Now there is increasing evidence that the Government of the United States does not plan to keep its part of the bargain. The Senators and Representatives of the State of Louisiana have been advised that the installation may be closed if the proposals of the present administration with regard to the troop strength of the Army and its overall budget for the next fiscal year are maintained.

A Capehart housing project was represented only last year by the Secretary of the Army as being the most desperately needed housing of this type anywhere in the United States. He urged the Congress to take emergency action to provide additional funds specifically to take care of these needs.

Congress provided these funds. The contract was let and the work begun. Then the Secretary of the Army canceled the contract and is at present engaged in negotiating the damages which have been caused by this cancellation. I cannot tell at this point how much these damages will be, but certainly it will be a very large amount of money for which the Government will receive nothing.

The issue before us is not the question of whether the Army needed Fort Polk in order to house its troops. The Army already had adequate permanent installations to house its existing garrisons at the time the agreement was made to open Fort Polk. That was not involved in the deal.

The question is whether the Army will pay the agreed price for its only large maneuver area.

The Army had attempted to acquire such a maneuver area elsewhere. It had failed. The Army then inquired as to the possibility of obtaining the same general maneuver area in Louisiana where the vast training operations of World War II were conducted. The people of Louisiana, acting through their governor and their responsible officials, made it clear that the property was not available at any price unless the Army was willing to reopen Camp Polk as a permanent installation and agree that it should be kept open. The Army agreed without reservation. That was



Louisiana has performed its obligations under that contract; all we ask is that the United States Government perform its obligation, namely, to keep Fort Polk open.

The matter is as simple as that.

At any rate, Mr. President, following the promulgation and dissemination of the press release from which I read earlier, and acting upon the valid agreement outlined therein, the people of the Fort Polk area did a number of things:

First. They gave unstintingly of their time and personal efforts to obtain from their friends and neighbors approval of the necessary maneuver agreement.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the text of the maneuver agreement form.

There being no objection, the form was ordered to be printed in the RECORD, as follows:

#### MANEUVER AGREEMENT

1. This agreement, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by and between \_\_\_\_\_, hereinafter called the owner, and the United States of America, hereinafter called the Government.

2. The owner, for the consideration of \$1, the receipt of which is hereby acknowledged, grants to the Government a right for United States troops and their equipment to periodically maneuver and conduct field exercises over and upon the following described lands: \_\_\_\_\_ acres of land located in \_\_\_\_\_ Parish, La., save and except all places of residences, barns, and all other structures and buildings, cultivated areas, including areas planted in pine or hardwood either before or after the date of this agreement, constructed ponds, sawmills, logs, and lumber pertaining thereto.

3. The provisions of this agreement become effective immediately and will continue for a term of 15 years from the date above written.

4. In the event of damage to the premises resulting from the Government's exercise of the rights and privileges herein granted, the Government shall repair, replace, and restore the premises to the condition existing at the time of commencement of the use herein granted or at its option make a cash settlement with the owner, or lessee, in lieu of actual restoration. It is understood and agreed that restoration, or cash settlement in lieu thereof, by the Government shall be effected at the conclusion of each maneuver or field exercise. That the amount or extent of damages, if any, be arrived at in accordance with established practices for determining fair market value, and such settlement shall be made within 1 year of submission of statement of damages.

5. The use hereby granted is not to be considered as exclusive use and the exercise of the rights and privileges as hereby granted shall in no manner interfere with or abridge the ownership rights of the owner or occupant in connection with the premises.

6. This agreement will automatically terminate in the event of a conveyance of title of the premises described above, or in the event Camp Polk is not reactivated as a permanent installation of the United States Army, or in event it is deactivated.

7. The Government shall use all reasonable precautions to prevent fires on said lands and to prevent the spread of any fires that may occur. In the event of a forest fire, caused by military forces, burns on lands covered by this agreement or on lands adjacent that may spread to lands covered by this agreement, the Government agrees to notify the land owner of such fires if possible and to have the troops who may be

carrying on operations on these lands, aid and assist in controlling said fires.

In witness whereof, the parties hereto have subscribed their names as of the date first above written.

(Witness)

(Address)

[SEAL] \_\_\_\_\_

(Owner)

(Address)

UNITED STATES OF AMERICA,

By \_\_\_\_\_

(Official title)

Mr. ELLENDER. Mr. President, I remind the Senate that agreements of this type were obtained covering some 7 million acres of land.

Second. The people of the Fort Polk area, acting at the request of the military authorities, under took to provide additional housing for troops and their dependents.

Third. Nearby communities bonded themselves heavily in order to provide the necessary electrical, sewerage, and other public-utility services made necessary by a substantial increase in the population of the area.

Fourth. Bond issues were also floated to provide additional schools.

Fifth. Bond issues were voted to increase recreational opportunities to provide parks and other desirable public places as a means of sustaining the high morale of the Army troops stationed at Fort Polk.

Sixth. Churches and other private institutions contracted for expanded building programs.

All of these things were done by the People of the Fort Polk area in reliance on the promise of the Department of the Army, and, indeed, of our own Government, that Fort Polk would remain a permanent military installation.

I have stated on many occasions, and I state again, that no other military installation in the United States stands on the same footing as Fort Polk—in no other part of the country have the people living in and around a military installation been parties to such a solemn and binding contract with their Federal Government.

This factor alone amply demonstrates that Fort Polk should not be the first permanent post considered for closing when the Bureau of the Budget decides to tighten its fist a little bit, but, rather, the last.

Fort Polk offers specific advantages to our defense establishment which are available at no other post.

First and foremost of these is the fact that the people welcome the Army—not just as so many customers for their stores and businesses, but as new friends and new neighbors. In addition, and this is of great importance, no other area in the United States offers 7 million acres in maneuver rights upon which the Army can deploy its troops for every conceivable kind of training necessary. As a matter of fact, the Army tried to obtain more limited maneuver rights in other

parts of the country and were turned down point blank, even when monetary inducements were offered. The people of Louisiana provided maneuver rights over a larger area, for no monetary consideration.

If Fort Polk is closed, the people of my State have authorized me to serve notice that the Army will have lost not only the good feeling and goodwill of the people surrounding Fort Polk, but also the present existence of a 7-million-acre maneuver area and any hope of again obtaining such an area at any time in the future.

Today, our country is in a depression. We are seeking ways and means to reduce unemployment and to restore economic health to all parts of our country. But while we try to do these things, the Department of Defense is deliberately, and almost with malice aforethought, breaking a solemn obligation to the people of one of our States, and, at the same time, is threatening to extend the depression even deeper into that area.

Mr. President, I have called these matters to the attention of the Senate because the time is fast approaching for a final decision on Fort Polk to be made. I am hopeful that the Senate will join in the efforts of myself and other Members to put into effect a realistic minimum insofar as the number of Army troops is concerned.

I urge that, when the time comes, the Senate join me in seeing that sufficient moneys are made available to support this troop strength.

Finally, but most important, I hope the Senate will agree that the people of the Fort Polk area have been treated most shabbily, and that my colleagues will join me in taking action to impress upon our military leaders and the civilian administrators of our military program that the solemn contract between the Government of the United States and the people of the Fort Polk area must be honored, if faith in our Government is to be preserved.

Mr. LONG. Mr. President, I ask unanimous consent that the remarks of my colleague from Louisiana with regard to Fort Polk be printed in the RECORD immediately following the speech I made on the same subject.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ELLENDER. Mr. President, I thank the Senator from Tennessee [Mr. Gore] for his courtesy in yielding.

#### FARM PRICE SUPPORTS

Mr. ELLENDER. I should like to read a bulletin which has just been handed to me. It is taken from the news ticker, and reads:

Senate Republicans voted 17 to 14 in a stormy closed session today to tell President Eisenhower they favor his signing a bill to freeze price supports.

Mr. President, I congratulate the 17 Republicans who have given the President this advice.

As chairman of the Committee on Agriculture and Forestry, I managed the joint resolution on the floor. I have read quite a number of editorials, published



in various newspapers throughout the country, which entirely miss the point.

The newspapers contend that the joint resolution freezes the prices. As a matter of fact it does not do any such thing. It merely tells the Secretary of Agriculture that he shall not further depress farm prices below the prices that were paid farmers in 1957, which means that the farm prices on all basic commodities can flex upward to 90 percent from the prices paid last year.

Let us take, for example, cotton. Cotton was supported last year at 77 percent of parity. In 1958 cotton prices have been pegged at 81 percent of parity, which is greater than the amount paid last year. If the joint resolution is signed by the President—and I hope he will sign it—it will mean that farmers will get no less than what they got last year, and for the next year the price can flex upward to 90 percent.

Another provision in the joint resolution freezes the acreage for cotton as well as rice and wheat, at the acres planted last year. That is all the joint resolution provides. The reason the committee decided to do that was to not further depress the income of the farmer.

As I pointed out in the debate, last year the farmers of this Nation received the lowest amount of money, percentage-wise, of the national income than in any previous year. It was 4.2 percent of the national income. Six or 7 years ago it was 14.1 percent of the national income.

I take the position that now is not the time to further depress the farmer's income, because it will simply mean that the depression in which we now find ourselves will deepen more and more.

Mr. KERR. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. KERR. I wish to express my deep appreciation to the chairman of the Committee on Agriculture and Forestry for his leadership in bringing to the Senate floor the joint resolution which was passed by Congress and sent to the President. It was because of the tireless efforts of the distinguished Senator from Louisiana and the members of the committee who agreed with him that the measure was reported to the Senate and made available to Senators to support and pass. In doing that, he rendered a service far beyond the ability I have to adequately describe, and for which he is entitled to appreciation from the farm population of America far beyond my ability to indicate. I certainly wish to thank him and to congratulate him on what he has done and what he has said about it.

Mr. ELLENDER. I thank my good friend from Oklahoma.

Mr. LONG. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LONG. I congratulate my colleague upon the statement he has made. In view of the fact that the administration and Congress will be facing a tremendous deficit this year, and the possibility of an even greater deficit as a result of proposed tax cuts, there are no two things that could be done to help

bring back prosperity and restore full employment and full production any quicker and at less cost to the Government than by stabilizing farm prices now and by reversing the high-interest-rate policy. My guess is that those two steps would actually save Government money if they were accomplished simultaneously.

Mr. ELLENDER. I thank my colleague.

## SECOND SUPPLEMENTAL APPROPRIATIONS 1958—CONFERENCE REPORT

During the delivery of Mr. GORE's speech:

Mr. JOHNSON of Texas. Mr. President, the distinguished senior Senator from Arizona [Mr. HAYDEN], the chairman of the Committee on Appropriations, desires to submit a conference report. Since the distinguished senior Senator from Massachusetts [Mr. SALTONSTALL] is present, representing the minority, and since the report has been cleared with the minority leader, I ask unanimous consent that, without losing his right to the floor, the Senator from Tennessee may yield to the Senator from Arizona, for the purpose of taking up the conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HAYDEN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10881) making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. COTTON in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of March 24, 1958, p. 4591, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. JAVITS. Is this the conference report which contains the appropriation for the Brussels Fair?

Mr. HAYDEN. It is.

Mr. JAVITS. May we know exactly how that matter has now been disposed of?

Mr. SALTONSTALL. Mr. President will the Senator from Arizona yield?

Mr. HAYDEN. I yield.

Mr. SALTONSTALL. As one of those who advocated the full amount of \$2,054,000, I am not satisfied with the amount of \$1,100,000 contained in the report, but I am convinced that it is the most we could expect to get from the House. If the money is to be of any use, it should be made available immediately. It was the feeling of the Senators on this side of the aisle who

signed the report that we should do so. The amount was, as I say, the very best we could get. Therefore, I believe the report should be adopted.

Mr. JAVITS. I asked the question because I, too, feel that we should have provided for the Brussels Fair the amount which was included in the bill passed by the Senate. I think it would have proved to be an investment, which, not having made, we will regret not having made. I think that at the fair the United States will not show up in the great and favorable way in which our country should be shown. But I express the hope that, as I have just said, and as has been said much better by other Senators, including my distinguished colleague from Massachusetts, our exhibit at the fair will be successful.

I do not question the sincerity of the House conferees who took the position they assumed, except that I differ with them very strongly.

I shall delay the Senate for only a minute, to express a hope I entertain. We are a remarkable people. There are many things we do which the Government does not do, and for which the Government does not even pay. I express my hope, and indeed my expectation, that those active in the fields of American art and culture, those associated with the theater and with music, whom I know so well from my home city, and the great American business organizations, now seeing exactly what Congress will do, and being no longer under any uncertainty about what the Federal Government will do, will now pour into the breach and make the contributions which may be made even at the 11th hour—and this is the 11th hour—and which will sustain American prestige and the American posture in respect to the fair.

The fair, unfortunately, has been blown up to be a great test, as between the United States and the Soviet Union, as to which country will do better so far as prestige in the world is concerned. Although together with many of my colleagues, I realize that action in this regard will not be decisive of the great issues with which we are confronted in Congress and with which the world is faced, nevertheless the Brussels Fair has been perhaps inflated beyond its importance. But there it is.

So I hope very much—and I express this as one Senator from one State—that the great forces in our country which have heretofore contributed so mightily under similar circumstances, will welcome an opportunity to act patriotically, to make up, as I think they themselves believe they should do, for what is lacking in the amount of the appropriation.

Mr. HAYDEN. The report does contain \$1,100,000, which was not in the bill as it passed the House.

Mr. JAVITS. Of course. I congratulate my colleagues who were the Senate conferees. I realize how difficult the conference was. I happen to know exactly what they were up against. I served in the other body for 8 years. I think, from what I know of the situation, and considering what the Senate con-



be legislation of that kind in the bill; it should be considered separately.

Mr. DELANEY. That is what the resolution does. If the gentleman does not agree with it, vote against it.

Mr. HYDE. I know that; I just want to put my objection on the record.

Mr. DELANEY. I hope it is clear.

Mr. ALLEN of Illinois. Mr. Speaker, the gentleman from New York has ably explained the rule. There are very few of us who enjoy voting for rules waiving points of order.

I am convinced that the objectives as contained in the proviso waiving points of order are sound. In my opinion, past independent offices appropriation bills should have had this proviso in it a long time ago.

Mr. Speaker, the rule does not provide time for debate, but it is my understanding that the gentleman from Texas [Mr. THOMAS] and the gentleman from Illinois [Mr. VURSELL] will decide on that. It is also my understanding they intend to ask for 3 hours of general debate.

Mr. DELANEY. That is my understanding.

Mr. ALLEN of Illinois. It is my understanding also that we are to come in at 12 o'clock. Mr. Speaker, I reserve the balance of my time.

Mr. DELANEY. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, I take this time because of the question that has been raised about waiving of points of order. Generally speaking, I do not look with too much favor on waiving points of order. It is only fair to say that this is legislating upon an appropriation bill. On the other hand, there are times when that is justified, and, in my opinion, this is one of those times.

I have reference particularly to the waiving of points of order on the question of paying into the trust fund the required amount when the provisions of that fund are liberalized to the extent of raising the pay of annuitants. You and I, as well as the annuitants that we represent at home, are involved in this matter because we pay into that trust fund ourselves and as one who hopes some day to become the beneficiary of that payment I want to see that fund kept sound. I want to see it kept solvent so that it will have some value in the future. Therefore, Mr. Speaker, I hope there will be no fight made on that provision when the bill is read under the 5-minute rule. We must keep the fund solvent.

Mr. DELANEY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. THOMAS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 11574) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes; and pending that

motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 3 hours, the time to be equally divided and controlled by the gentleman from Illinois [Mr. VURSELL] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 11574, with Mr. ALBERT in the Chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. THOMAS. Mr. Chairman, we have discussed this matter with the leadership, and I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose, and the Speaker having resumed the chair, Mr. ALBERT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 11574, had come to no resolution thereon.

#### ADJUSTMENT OF CERTAIN LEGISLATIVE JURISDICTION

The SPEAKER laid before the House the following request of the Senate:

*Ordered*, That the Secretary of the Senate request the House of Representatives to return to the Senate the bill (S. 1538) entitled "An act to provide for the adjustment of the legislative jurisdiction exercised by the United States over land in the several States used for Federal purposes and for other purposes."

The SPEAKER. Without objection, the request of the Senate is agreed to.

There was no objection.

#### THE 85TH CONGRESS HAS NEGLECTED TO PROVIDE FEDERAL AID TO DISTRESSED AREAS SUFFERING FOR YEARS FROM CHRONIC UNEMPLOYMENT

(Mr. VAN ZANDT asked and was given permission to address the House for 1 minute and to revise and extend his remarks in the Appendix.)

[Mr. VAN ZANDT addressed the House. His remarks appear in the Appendix of today's RECORD.]

#### PRESIDENT SHOULD VETO FARM PRICE FREEZE BILL

(Mr. RHODES of Arizona asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RHODES of Arizona. Mr. Speaker, the Democrat action in forcing a farm price freeze through Congress was the most devastating and underhanded assault on the American consumer of the 85th Congress. In addition, it would,

if allowed to become law, do irreparable harm to the American farmer.

It seems strange that a great political party would in times of unemployment take action intended to cause the price of food to rise, and to do so by taking action with which, I am sure, a majority of the farmers do not agree.

The farmer wants to be allowed to produce, not to be kept from it. He realizes that his best interests lie in regaining markets at home and abroad which he has lost because of the unrealistic Truman farm policy. To do this he must produce enough to supply the market, and do so at a price which is competitive.

I shall urge President Eisenhower to veto this measure.

#### CORRECTION OF VOTE

Mr. O'KONSKI. Mr. Speaker, rollcall No. 29 this morning fails to show that I was present and voted "Yea." I ask unanimous consent that the rollcall be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

#### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford, one of his secretaries.

#### TEMPORARY CONTINUATION OF UNEMPLOYMENT COMPENSATION BENEFITS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 358)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and referred to the Committee on Ways and Means and ordered to be printed:

*To the Congress of the United States:*

I recommend to the Congress the enactment of legislation to provide for the temporary continuation of unemployment compensation benefits to otherwise eligible individuals who have exhausted their benefits under State and Federal laws. I believe that these workers and their families should be enabled temporarily to receive weekly benefits for a longer period than is now in effect so that in the current economic situation they and their families can obtain a greater measure of security.

These recommendations reflect my strong conviction that we must act promptly, emphatically, and broadly to temper the hardship being experienced by workers whose unemployment has been prolonged. They also reflect my conviction that the need for additional assistance to these workers will be of relatively brief duration.

Such legislation should not encroach upon the prerogatives which belong to the States, and matters of eligibility, disqualification, and benefit amounts should



be left to the States. The legislation should provide, however, for the payment, to individuals who have exhausted their regular unemployment compensation benefits, of temporary benefits for an additional period equal to one-half of the duration of their regular benefits.

The State employment security agencies and the Railroad Retirement Board would administer the program. The Government would be reimbursed for the costs incurred by it for this program in each State through an increase, 4 years after the program's end, in the tax-payments to the Federal Government by employers in that State under the Federal Unemployment Tax Act. Any State, however, that wished to avoid an increase in such tax on the payrolls of employers within the State could provide for reimbursement to the Federal Government either by direct appropriation or by authorizing transfers from its credit in the unemployment trust fund.

The temporary Federal assistance which this program provides, while of great immediate benefit, is in no sense a substitute for extending the coverage of unemployment compensation which I have previously recommended, or for appropriate State action extending the duration of benefits and increasing benefit amounts which I have previously urged upon the States.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, March 25, 1958.

#### COMMITTEE ON UN-AMERICAN ACTIVITIES

(Mr. LANE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANE. Mr. Speaker, a House Subcommittee on Un-American Activities has just concluded 4 days of hearings at Boston.

Excellent staff work had prepared the way for one of the most interesting and revealing probes ever conducted by a committee of the Congress in the New England area. The one regret was the impossibility of extending the hearings so that the Communist organization and its activities in this region would be completely exposed. For it is only by such factual investigations that our people may learn how the Communist conspiracy operates, and from the knowledge gained, be able to detect and thwart its divisive tactics.

The press, radio, and television also performed a public service by the space and time they gave to their reports of the hearings, so that the people of New England were fully informed as to developments.

In spite of the evasions and provocations of some hostile witnesses, the committee members conducted the hearings in such a fair and true manner, that the public was impressed with the important and constructive role played by congressional investigating committees.

We realize that this subcommittee has a crowded schedule, but we hope that it will return to Boston in the future to carry on its vigilant and patriotic service in exposing the great deceit that is communism. The arrogance dis-

played by some of the party members, who flaunted their red shirts as they gave their squirming answers to pointed questions, did not fool anyone present. Their cynical boldness failed to hide their confusion and fear as their subversive operations were brought out into the light of day.

I believe that the Congress should not only congratulate, but should further recognize and honor the exceptional services rendered by those Americans who, at such personal sacrifice, have worked as unpaid undercover agents for the Federal Bureau of Investigation.

The success of the Boston hearings was due in large measure to the testimony given by two surprise witnesses, Armando Penha, 37, of Fairhaven, Mass., and Mrs. Carol Foster, 44, of Nashua, N. H. Years ago, these two Americans on their own, separately made inquiries as to how they could best serve their country. They were advised to join the Communist Party as under-cover agents for the FBI.

As Mrs. Foster exclaimed, with relief, after the hearings were over: "Now, I can live again." These two fine Americans had to give up much, in terms of normal living, in order to carry out their confidential work which proved to be of such service to the FBI and to the security of our Nation.

Between the 2, the committee received the names of 150 or more persons who were identified as party members. These disclosures have caused a temporary panic in the "secret society" as the Communists begin to suspect and distrust each other. From now on, the hard-core members of the party apparatus will double-check, and keep a close eye on their "comrades." The group will become smaller, but more difficult to detect. Therefore, the FBI undercover operatives in their ranks must be extra careful to conceal their identity as they carry out their nerve-racking assignments which are indispensable to the FBI in breaking up the Communist conspiracy.

The United States can never afford to ignore this threat from within. It will not make this mistake as long as we have devoted Americans to serve as undercover agents; cooperating with the efficient FBI; and with the vigilant members of the Committee on Un-American Activities of the United States House of Representatives.

Together, they make a team that is credited with an outstanding public service in protecting the internal security of the United States.

#### AIR POLLUTANTS

(Mr. MILLER of California asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. MILLER of California. Mr. Speaker, the armed services have a responsibility to live as good neighbors with the communities around them. Air pollutants from an Army powerplant or an Air Force or Navy rubbish burning operation are not neighborly. And, of course, they cannot be justified on the basis of military necessity or defense needs.

Mr. Benjamin Linsky, air pollution control officer of the San Francisco Bay Area Air Pollution Control District, brought to my attention that a spokesman for the chemical industry has said, "Air pollution control is largely a matter of economics. A community can have about as pure air as it wishes to purchase."

But a community, because it has no legal control over the Federal Government, must depend on the good judgment of the local installation's director and the good judgment and budgetary support of his superiors, including the Congress of the United States and its Appropriations Committees, as well as the Bureau of the Budget.

I believe it would be well for the United States Government to establish a policy firmly approved by Congress to require that military and defense activities be conducted in conformity with State and local laws relating to the air pollution abatement program and I am today introducing a concurrent resolution which would put this policy into effect.

Enactment of this resolution would require the Secretary of Defense to establish uniform policies and practices for the military departments with respect to the conduct of any activity which may result in air pollution. It would also serve as a guide to other Federal Government agencies in the conduct of their activities.

The effect of such a policy will remove the repeated embarrassment of Federal installations and their staffs and superiors because they are trailing, rather than leading, in reducing local air pollution.

Mr. Linsky has informed me that some Federal installations in the San Francisco Bay area continued open dump burning of garbage long after it had been stopped at local and State operations, because, with the best cooperation from the local commanding officers, there was inadequate and delayed planning ahead and fiscal provision by higher authority.

Mr. Speaker, this resolution will reduce substantially the danger to public health and welfare resulting from air pollution. I urge its prompt consideration and approval by Congress.

#### BYELORUSSIAN INDEPENDENCE DAY

(Mr. MICHEL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. MICHEL. Mr. Speaker, today is Byelorussian Independence Day. The Byelorussians are perhaps the least known of the many peoples forcibly brought under Soviet communism. One hears of the Ukrainians, the Baltic peoples, of those in the caucasus, and even of those in distant Asian countries, such as the Kazakhs, Turkmens, and the Uzbeks. But one seldom hears of the Byelorussians, despite the fact that they as an ethnic group are more numerous than any of the other groups I have mentioned. As a matter of fact, the Byelorussians—or the Ruthenians, the White Russians, whatever name one applies to



the Appropriations Committee is ascertain whether or not there is real need for the amount of money being requested to carry out our commitments. It has been true in the past the requests have been for more funds than actually needed.

I have been endeavoring to obtain information which would enable me to do as good a job as possible in handling this complex bill. It is not at all pleasant to have to be critical of some of the leadership of my own party or of the party that is in charge of the executive department, but I feel it is my responsibility to find out the facts of the program.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman.

Mr. RHODES of Arizona: I just want to thank the gentleman for bringing this material to the attention of the House, and to compliment him on all of the hard work he has done in preparing it. The gentleman will recall that I have been on my feet disagreeing with him too many times, except when he gets to talking about taxes and deficits. I do not know that I would agree that \$9 billion of the national debt has definitely the Republican label, but since the national debt is supposed to be around \$279 billion, if I would agree to accept the label for the \$9 billion, would the gentleman agree that the \$270 billion should have the Democratic label on it?

Mr. PASSMAN. I would be willing to accept \$266 billion as being the deficit built up in time of war. I want to be perfectly fair. Inasmuch as I have not taken my seat, I am not trying to quarrel with my friends on either side of the aisle. But few people realize that under Mr. Truman's last full 5 years he only collected \$247 billion in taxes. During that same 5-year period we reduced the public debt by \$3½ billion, and that was during the Korean conflict. Then, moving into the past 5 years, and this is the record, the total tax collections went up to \$365 billion. This is \$118 billion more than receipts of the last 5 years of the Truman administration, which included the financing of the Korean war. But in addition, during the past 5 years, our public debt has gone up by \$9 billion.

Mr. YOUNGER. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman.

Mr. YOUNGER. Would it not be fair to state that the former President, Mr. Truman, is also a part of this tremendous lobby that you have been criticizing?

Mr. PASSMAN. Yes. Our former President was brought into that. It was kind of amusing, in fact, when I picked up one of these printed pamphlets which indicated that Mr. Eric Johnston was the presiding officer, and the first speaker, if I remember correctly, was Mr. Dulles, Secretary of State. Then there was Mr. Adlai Stevenson, and then there were three great members of our clergy, leaders of the Catholic, the Protestant, and the Jewish churches. The next speaker on the program was

Mr. Dean Acheson, a former Secretary of State; the next former President Harry S. Truman. Following him was RICHARD NIXON and then a couple of other speakers. Then Mr. Eisenhower.

Mr. YOUNGER. Mr. Speaker, will the gentleman yield further?

Mr. PASSMAN. I yield to the gentleman.

Mr. YOUNGER. Is it not true that the mutual-aid program was started by President Roosevelt and continued by Mr. Truman?

Mr. PASSMAN. It is my understanding that the foreign-aid program, as we know it today, since 1948, started in a Republican-controlled Congress. There had to be a majority of votes to pass it, and you had the majority at that time. My President and your President, Mr. Truman, continued it.

Mr. YOUNGER. But the program was started by President Roosevelt even before the Second World War in the lend-lease operations.

Mr. PASSMAN. Now, of course, I am not talking about lend-lease or about hard loans; I am talking about the foreign-aid program beginning with the so-called Marshall plan. This program has had about 4 or 5 different names since then.

Mr. YOUNGER. That may be true, but I want to be sure that the RECORD pointed out that this thing was started by President Roosevelt.

Mr. PASSMAN. So far as I am concerned, it was new in 1948. That is when the plan came into being.

Mr. DEROUNIAN. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from New York.

Mr. DEROUNIAN. Is it not true that in 1947 and 1948 the Republicans had the appropriating power in the House?

Mr. PASSMAN. Yes.

Mr. DEROUNIAN. And you had the votes in 1955, 1956, 1957, and 1958. If you did not like the foreign-aid program why did you not cut it out? You had the votes at that time to do it.

Mr. PASSMAN. I have not suggested that the foreign-aid program be cut out. You know as well as I do that certain Members on this side of the aisle are going to support the foreign-aid program. I am pleading with the distinguished Representatives from the 48 States to cut out the waste and extravagance and misuse of the program. I am expressing my opinion that the President is largely following the recommendation of his subordinates in this matter. You know this program is built up out in the field. The program is scattered throughout 70 nations over the face of the globe, and the administrator of the program in any area is a little king in his own kingdom. These people exert terrific pressure to continue the program.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the distinguished gentleman from Virginia.

Mr. GARY. Will the gentleman state how much the Democratic Party and the Democratic Congress has cut this program within the last 5 years?

Mr. PASSMAN. In recent years we have reduced the President's program by 40 percent. I think it could be cut even further without doing harm.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the distinguished gentlemen from Iowa.

Mr. GROSS. The gentleman and others have referred to this propaganda outfit downtown propagandizing the people of this country to support the foreign giveaway program, and it is a giveaway program. Letters are going out from this outfit downtown accompanied by a slip of paper saying that if you contribute it can be deducted as a business expense.

I think that when the gentleman's committee starts operating on this bill that he should inquire into the authority for this statement that is going out that you can contribute to this fund and deduct it as a business expense. A few of us around here have been trying to ascertain, and have ascertained up to this point, from the Bureau of Internal Revenue that those contributions are not tax exempt.

Mr. PASSMAN. I will say to the gentleman that we certainly hope Mr. Eric Johnston will see fit to submit to us a list of the names of the 5,000 people to whom telegrams were sent in promoting the big production here on the 25th of February. We also hope that we will be privileged to have the president and chairman of the board of the Gillette Safety Razor Co., who was assigned the task of soliciting funds from industrialists of America, as a witness. We hope to receive a list of the thousand people who are being solicited for funds.

Mr. GROSS. Do not overlook Mr. Heinz.

Mr. FRELINGHUYSEN. I think this discussion has brought up that there is a sharp difference of opinion as to the merit of the program. I think the gentleman's reference to prominent members of both political parties as sponsoring a continuation of the program suggests there is merit in it, whether we like the scope or disagree with the scope of it or whether we agree on aid to individual countries or not. I would like to ask the gentleman whether he agrees with the contention of the gentleman from Mississippi that this is an unconstitutional use of the taxpayer money that we have been engaged in since World War II?

Mr. PASSMAN. What would be constitutional, I do not know. I do not know what would be unconstitutional, as interpreted by the present Supreme Court.

Mr. FRELINGHUYSEN. The gentleman's position is that this is a reasonable program and an appropriate use of the taxpayer's money. But he is concerned about whether it is being well spent.

Mr. PASSMAN. The gentleman has never agreed that this is a reasonable program, but when my Government makes a commitment I have an obligation to try to support that commitment.

Mr. FRELINGHUYSEN. The point I have been concerned about in the gentleman's presentation is whether he is suggesting a scrapping of the program or



whether he feels there is sufficient merit in it to continue it and whether it is of some aid to us.

Mr. PASSMAN. When this program started, the program as we know it today, it was supposed to run for 5 years. A Member needed to feel rather secure to even predict that this program would continue more than 5 years and that its cost would exceed \$15 billion. But, before long, the pressures began to build, so that now, instead of being in 15 nations, we are in 70 of the 86 other nations of the world with this program, and it is getting bigger and bigger. There is now an additional subterfuge in the program, known as the development-loan provision. There is not an official downtown who will not admit off the record that this is nothing but a give-away gimmick. On the record he will say, "Yes; we might collect some of it back." But off the record, if you press him, he will say, "I do not think of it as a loan, but it makes it easier for them to accept what we are giving." Then I always ask the question, "Did you have much trouble giving away the \$68 billion?" And that usually closes the discussion.

Mr. O'KONSKI. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. Has any request been made for foreign aid at the moon?

Mr. PASSMAN. There is a member of the Space Committee here who might answer that question.

Mr. O'KONSKI. I am wondering why our Secretary of State said no useful purpose will be served going to the moon. Is it because they have no use for foreign aid?

Mr. PASSMAN. I hold the Secretary of State in high esteem, and I do not want to comment on what he said in that respect. But that is a relevant point.

Mr. MEADER. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Michigan.

Mr. MEADER. I should like to commend the gentleman and his Subcommittee on Appropriations for the screening that they have given to this program. I, as the gentleman knows, have served with the gentleman from Virginia [Mr. HARDY] on the subcommittee of the Committee on Government Operations in an attempt to look into some of these expenditures to see whether they were wise and useful expenditures of the taxpayers' money. And, as the gentleman knows, we found many that were not; and I agree that, whatever party may be in power, it seems to me that this program is a bipartisan program.

Mr. PASSMAN. Yes; I have conceded that it is.

Mr. MEADER. And that there is a tendency on the part of those spending the money to find excuses to spend more and more, whereas the purpose of the program can only be accomplished if the program does some good and the countries we are seeking to help begin to stand on their own feet. And, I have always thought that we could no more

toward encouraging economic stability and strength which will permit them to resist communistic infiltration and military aggression by encouraging them to adopt the economic system which has made this country great. And, that job can be done by the investment of private capital without any expense to the taxpayers of this country. I commend the gentleman and his Subcommittee on Appropriations for holding the line and not letting the bureaucrats get away with everything they ask for.

Mr. PASSMAN. I shall support appropriations that in my opinion the record justifies as needed to carry out our commitments, but not otherwise.

Mr. BYRD. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from West Virginia.

Mr. BYRD. Mr. Speaker, I have been much interested in what the gentleman has been saying about the clambake that took place a few weeks ago, and I am wondering if the gentleman has any figures as to what this clambake cost, and I also would like to know if he can tell us from what source the moneys came with which to finance this clambake.

Mr. PASSMAN. I think if the gentleman will refer to the special committee which I mentioned—that is, some of the members of that committee—in my remarks earlier, he will find some very prominent names in industry. It is also my understanding that there have been 1,000 industrialists and other wealthy Americans from whom contributions have been requested. It is my understanding, further, that the chairman of the board of the Gillette Safety Razor Co. will be chairman of this fund-raising committee, with the first kickoff being invitations to 1,000 of America's outstanding businessmen to contribute to the fund.

#### DEMOCRATS VERSUS THE PEOPLE

The SPEAKER pro tempore (Mr. O'BRIEN of New York). Under previous order of the House, the gentleman from California [Mr. Hiestand] is recognized for 60 minutes.

Mr. Hiestand. Mr. Speaker, I ask unanimous consent that all Members participating in this discussion may be permitted to revise and extend their remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. Hiestand. Mr. Speaker, the great Democratic Party claims to be the party of the people. The Democrats themselves scream it on every possible occasion. Yet their every move proves the contrary.

Two weeks ago the gentleman from Missouri [Mr. CURTIS] right here showed most emphatically how the Democratic leadership disclaimed loudly but did nothing in the fields of the economy, taxes, small business, even taking on the distinguished majority leader very effectively.

Last week the gentleman from Michigan [Mr. CEDERBERG] showed indisputably that the Democratic leadership

shouted loud in labor matters in behalf of labor unions and workers, and did nothing but block action to correct the scandalous abuses coming to light. The Democrat membership was invited but was conspicuously absent. Did they have no answers?

Today, we are prepared to show that although the Democratic leadership shouts "for the people" every move, every vote is against the worker, the housewife, the pensioner, and those in the lower income groups, and especially indeed the farmer.

Five great and important measures have passed the House at this session, ramrodded and forced through by the Democratic leadership—every one ruthlessly disregarding and emphatically damaging to the interest of the people—the man in the street, the consumer.

I shall dwell only lightly on the first four. The first three big appropriation bills jammed through by the Democratic majority, were not only not cut but in the aggregate were increased over the amounts recommended by their own Democratic dominated Appropriation Committee. Does this appear to be in the people's interest—spending their tax money recklessly, irresponsibly, and completely without regard to the value of the consumer's hard-earned dollar of purchasing power?

The Democratic spenders are in control and the control is a powerful one. Even the conservative wing of the party, historically dedicated to protecting the taxpayers' dollar, was forced by the lash of the leadership to go along. The party controlled by Walter Reuther and the CIO New York liberal wing brooked no compromise.

Came then the gigantic rivers and harbors authorization bill, \$1½ billion worth of projects—something for everybody, pork barrel, a scandalous and disgraceful measure literally profligate with the people's money. Many of these projects had never been considered by the Corps of Engineers, others had been rejected. Yet the Democratic spending majority jammed them all back into the bill. Spend, spend, spend.

Not so far this year was the party line so clearly drawn. Of 234 Democrats only 4 dared to vote to recommit. Could this be the party of the people?

Through all of this, mind you, was the argument shouted "fighting the recession." What recession? Can you call it a recession with 62 million gainfully employed, almost the highest in history with total personal income at 343 billion, seven-tenths of 1 percent below the highest in history, with consumer purchasing up so far, and demand so great that retail prices are being forced up instead of down? Can you honestly call that a recession?

Can the Democratic spending leadership honestly claim that any of this money, any of these projects can possibly help unemployment? Can a construction project in Pennsylvania help an unemployed aircraft worker in Seattle? Can a highway project in New Mexico help an unemployed textile worker in New England? Is there a great deal of unemployment in the construction in-



dustry anywhere? Ninety-five percent of these projects are construction.

Can any of the Democratic spenders argue that any of this money could possibly get into circulation within 12 months, long after the slump is over? And how much unemployment was helped by the gigantic spending from 1933 to 1940? Did it do anything but stretch out the depression and double the Federal debt? There were 9½ million unemployed in 1939.

No, Mr. Speaker, the Democratic spenders' objectives were quite obviously threefold: To mend their own fences at the expense of the overburdened taxpayer, to discredit any Republican Congressmen who would oppose a project in his own district, and to discredit the administration by forcing a veto.

Mr. Speaker, it isn't going to work. A veto of the pork barrel measure, if it comes, will be an act of statesmanship in the highest order. And all of those who do not believe in throwing away other people's borrowed money will be fully vindicated. Not the Democratic spending leadership.

Comes now the hoped-for coup de grace. For years the Democratic leadership has fought to hold the line on high rigid farm price supports.

This year it looked as though the housewife, the wage earner, and the white collar worker might have his day in court. It looked as if some breaks might come, by the heroic fight of the great Agriculture Secretary really to protect the farmers' interest and to get food for the people at prices that did not take 40 percent of the pay envelope. These objectives harmonize perfectly. Big-city Democratic Congressmen loudly proclaimed their defense of the consumers' pay check.

What happened? The Democratic leadership and the big-city Democratic Congressmen united in backing a measure to freeze farm prices and acreage limitations. It was a desperation strategy. If it could be jammed through and enacted it would save the day for the Democratic spenders who claimed to be the saviors of the people, by keeping their food prices high. What party of the people? How can these big-city politicians justify their votes to their consuming constituencies?

Could this be an unholy alliance—the Farmers Union and the CIO big city labor management? Farmers generally and consumers generally don't want it. But to make it successful the Democratic leadership lash had to be applied.

What happened? On the vote to recommit, the record shows 49 big city Democratic "people's friends" voting against the people's food dollar.

Here they are. Here are the big city Democrats who voted against their consumers: New York, 14; Chicago, 5; Los Angeles, 2; Philadelphia, 2; Detroit, 5; Cleveland, 2; St. Louis, 3; Milwaukee, 2; Minneapolis-St. Paul, 2; New Orleans, 3; Boston, 3; Kansas City, 2; and Seattle, Houston, Denver, and Portland, 1 each. Sixteen more Democrat big city "people's defenders" were listed as "not voting." Twelve more Democrats from medium sized city districts also voted against their consumers. Total 77.

What a spectacle. Screaming to protect the "peepul" and voting against them. "Party of the people?"

The price freeze measure was and is two things, a pure political maneuver to discredit Republicans and the Agriculture Secretary, and to force a veto.

It is a hideous and unjustified blow at the pocketbook of the consuming public.

In short, what does the passage of this bill, conceived in politics and dedicated to the proposition that by politics you can fool all the people all the time, mean to city people? For the city people their Democratic politicians voted for higher taxes—higher prices—and more unemployment.

First. Farm price freeze means freezing goods to shelves, freezing housewives from stores and freezing men from work. It means higher prices for the consumer. One of our big-city Democrats stood up here in the well of this Chamber and said he was speaking for the city consumer and was in favor of this economic monstrosity. Does 3 cents a pound reduction in the price of butter mean nothing to him? Is he so callous as to say that 2 cents per pound reduction in the price of cheese is of no significance? Is a reduction in the price of rice of no importance? Are lower prices for many other products all the way from beans to paint unimportant to my good Democrat friends from the great metropolitan areas? If increased food costs mean nothing to city consumers, why do not some city Congressmen recommend doubling them?

Second. It will cost the taxpayers an extra \$300 million plus untold millions in additional interest on the money that must be borrowed to pay for this. This on top the over \$3,000 million per year of overburdened taxpayers' money. With the longtime trend away from the farms to the cities, who is going to pick up the tab? Of course, the answer is clear—the voters in the city districts.

Third. We have been hearing a good deal about unemployment from the Democratic side of the aisle. Certainly, the wrong way to treat the 5 million unemployed, is by making food more costly to them.

Fourth. The morning papers carry a story datelined from Detroit stating that the number of new cars in dealer hands on March 1, 1958 was 869,771. Will raising the cost-of-living help the sale of cars and thus help unemployment?

Fifth. In recent months we have all watched with concern the reduction in employment in the cotton textile industry. The amount of raw cotton being used domestically in the past year is the lowest in years. The number of spindles operating is way down. The production for export is down. The number of employed is down. What is up? The number of unemployed in this great industry. The answer that my friends on the other side of the aisle give is: "Freeze." Freeze for another year the Democrat program that caused this. If their program is that bad, why keep it that way?

Yes, Mr. Speaker, this freeze bill will freeze out a good many people from em-

ployment. What is another year? The great cotton textile industry can put the textile workers back on the payroll when they can compete for markets, here and abroad, and not before. Losing markets to competitors is no way to put Americans on company payrolls.

The ingenuity of American industry is unsurpassed. However, when we give foreign industries a tremendous advantage by enabling them to buy the raw materials at lower prices, it means unemployment in our cities. This bill continues that practice. This bill we have passed is not only a "freeze" bill, it is a "freeze out" bill so far as employment is concerned. Is it not about time we passed some agricultural legislation that makes economic sense? The President has recommended that kind of a program. This rejects the President's recommendations, and in effect says: "Wait until next year."

Sixth. Another reason why this recently passed legislation does not make sense is that it keeps farmers on the treadmill of overproduction. Those who say that the Government should guarantee all who choose to remain or become farmers—regardless of their efficiency—an income high enough to stimulate overproduction, are blind to basic economic forces. The man who could guarantee a certain price that would keep the inefficient on the job, and at the same time keep the efficient from overproducing, has not been born.

For the farmer for whom they have shed so many crocodile tears, they voted to further destroy markets, to pile up greater surpluses, to cripple standards for price supports and acreage allotments, to increase the cost to the taxpayer, to give no help to the small farmer, to punish the winter wheatgrower, establish mandatory supports for nine more commodities, and to freeze the very levels which got us into the fix they so deplore. If the farmer is in a bad way as they claim, why vote to keep him that way?

How then can our big city Democrats claim they really represent the people who elected them?

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. HIESTAND. I yield.

Mr. FRELINGHUYSEN. Mr. Speaker, I feel that the gentleman has touched on a very real problem when he talks about the consumer's interest in developing a reasonable farm program. I think in generalities it is easy to state what our policies should be and to recognize that our present policy is not adequate. We need to develop a farm program which will encourage national economic growth and which will encourage the general prosperity and high levels of employment. We need one which will adjust without undue hardship to the farmers the demand and the production. Under high rigid supports we certainly are not getting any readjustment of production and consumption. I think it is of great importance to the consumer not only because a freeze on farm prices means higher prices to the consumer for the food which he pays for, but also in the fact that there are tax bills which the nonfarmer must pay in order to support the 12 percent of our people who are on



the Nation's farms. Regardless of the politics of the situation we are still faced with an unsolved problem, with one which is growing steadily worse, and our refusal to face up to the necessities for a realistic farm program underlies the fact that there is going to be, without any question, increasing dissatisfaction from the industrial areas, the big city areas, and the areas where there is a great industrial and nonfarm population. In the last 25 years we have spent directly for farm programs some \$220 billion. In addition to that we spent \$220 billion during the war to encourage greater production of farm commodities, and the farm problem is far from being solved.

I think the gentleman is doing us a real service in pointing out a real problem and in pointing out one of the basic reasons why there is dissatisfaction, why we have dissatisfaction in programs we have tried which have proved to be unsuccessful.

Mr. McCARTHY. Mr. Speaker, will the gentleman yield?

Mr. HIESTAND. I yield to the gentleman from Minnesota.

Mr. McCARTHY. I wonder if the gentleman is complaining of pressure put on by Democrats in this country, why it is that the Senate Republican policy committee has just voted 17 to 14 urging the President not to agree to the price freeze?

Mr. HIESTAND. I do not attempt, I will say to the gentleman from Minnesota, to justify any of the very wise or otherwise actions of the other body.

Mr. DEROUNIAN. Mr. Speaker, will the gentleman yield?

Mr. HIESTAND. I yield to the gentleman from New York.

Mr. DEROUNIAN. The gentleman has brought into very dramatic focus what our consumers are up against and what they do not know is happening through some of their Representatives in Congress.

I cannot see why a Member of Congress from the city would vote for the price-freeze bill if he really understood it—and I am not here to advise anyone how to vote, but I am expressing how I feel about it. How can some of these recent Democrat-sponsored programs be for the little man, when it happens that the State penitentiary down in Mississippi gets a payment of \$71,000 for not planting a thousand acres of cotton? And, of course, this is multiplied hundreds and hundreds of times. As the gentleman has said, the Democrats say there are for the small man, or the little fellow, but we find big corporations down in Mississippi, one of which got \$1,400,000, another one \$1,200,000, one in Texas receiving \$850,000. Are they small people? This is all common knowledge; it is to be found in the records of the Agriculture Department.

If these farm programs really helped the small farmer I might be for them, but it is time somebody thought of the city folks. We know they will not be helped by the freeze program; it will raise their prices; yet at the same time they are the ones who pay the taxes—pay taxes to keep prices high. That is not right and it should be stopped.

I commend the gentleman for bringing this matter to our attention.

Mr. HIESTAND. I thank the gentleman from New York.

Mr. TEAGUE of California. Mr. Speaker, will the gentleman yield?

Mr. HIESTAND. I am happy to yield to the gentleman from California, an able member of the Agriculture Committee.

Mr. TEAGUE of California. First I should like to commend the gentleman from California for his very fine statement; then I should like to say that in looking around the Chamber I believe I happen to be in a position among those present of representing a combined urban and agricultural district in a very high degree. I am thoroughly convinced, as I have stated before, that the farm freeze, the high rigid price support program, is not a good thing for either the consumers or the farmers.

Mr. HIESTAND. I thank the gentleman from California.

Mr. SHEEHAN. Mr. Speaker, will the gentleman yield?

Mr. HIESTAND. I yield to the distinguished gentleman from Illinois.

Mr. SHEEHAN. Mr. Speaker, House Democrats are attempting to force city dwellers to finance purchase of the farm vote in the coming elections.

The American people already have poured almost \$16 billion into programs aimed at stabilizing farm prices and income. The House action of March 20 in voting a continuance of such subsidization will—unless vetoed—further burden the taxpayer.

According to the 1956 survey of the Census Bureau, only 21.5 million of America's 164 million persons live on farms, but everyone is being ordered to pay for a program which has been a miserable failure ever since it was instituted in 1933.

The cost of these subsidies in 1956 was more than \$1.9 billion, and last fiscal year was more than \$3.25 billion.

Price supports have accomplished but three things. They have eliminated many American farm products from the world market; they have stuffed warehouses, on which the taxpayer is assessed storage charges of more than one million dollars a day, and they have depressed prices for the farmer and raised them for the consumer.

Minority rule certainly is bad enough, but when it means that seven-eighths of our population is forced to pay for a program which ostensibly benefits the other eighth, but does not, it constitute a wanton waste of the taxpayers' money.

On top of that, the seven-eighths of our population which does not live on farms finds itself paying these additional taxes only to increase the prices of food in the corner grocery.

I shall urge, with all the power at my command, a Presidential veto of the measure.

Mr. HIESTAND. And I support the position of the gentleman from Illinois.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield?

Mr. HIESTAND. Happy to yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. I, too, want to commend the gentleman from Cali-

fornia for taking the floor in reference to this matter, and also notifying those who might be opposed to his views on the other side of the aisle that he was going to take the floor so that they would have an opportunity of meeting these challenges.

I want to call attention to the fact that during debate on the rule which was adopted under which we considered this farm freeze bill are my remarks to the effect that I think this clearly shows the leadership on the Democratic side in the Committee on Agriculture was completely devoid of ideas and all they were doing and all they could think of was something in the nature of throwing rocks in the way of a program Secretary Benson was for. I made the remark that I would be very much interested in the ensuing debate to see whether any member of the Democratic party representing a city district would take the floor to oppose this measure. If they did not take the floor, I stated, it seemed to me they were certainly joining forces with the anti-Benson group.

This thing has gotten into politics, I regret to say, to the extent that I have received letters from my farmers—I think some of them were politically inspired—in which they were starting to call the Secretary of Agriculture the secretary of the consumer. Maybe that is a bad name out in the agricultural areas but I know it certainly is not a bad name in the city areas. I think that Secretary Benson is not only the Secretary of Agriculture but he recognizes that what is good for the consumer is really, in the long run, good for the farmer. What he is trying to do is to put economic facts back into this agricultural picture because it is only by dealing with these economic facts that we are going to come up with a proper solution. We have a situation that is very clearly brought out. We had an excessive demand for our agricultural products as a result of World War II. We have never adjusted from that demand, even though we knew the European soldiers became farmers again and the oriental soldiers became farmers. We never faced up to the fact that the need for our great production was not going to be there. Necessarily there was going to have to be an adjustment from a war economy to a peacetime economy.

My Democratic friends, under the leadership of their President, tried to maintain a peacetime economy based upon a wartime demand, then sniped at the Republican administration when it tried to find one which would sustain our economy on a peacetime basis. We could solve the farm problem tomorrow by going to war, but no one wants to reach a solution of that nature.

One basic factor in this farm situation is that there has been a technological revolution that is bound to bring about readjustment problems. We should certainly distinguish between two kinds of farmers. We know of the commercial farmer, the one who produces by far the bulk of this produce and, essentially, he is the family farmer



still. I am glad to know those figures are as they are.

The commercial farmer is doing all right. The farm figures that were placed in the record indicate he is doing all right. The fellow who is not doing all right is the marginal farmer, the farmer who has not been able to keep up with this technological revolution. And these Democrat-sponsored farm-support programs are not helping him.

I put in the RECORD 2 years ago a list of all the farmers who were receiving over a hundred thousand dollars in 1 year from the price-support program, and it took about a page and a half of the CONGRESSIONAL RECORD and the payments run from \$1,400,000 for 1 farmer right down the line to \$100,000. About 93 percent of the money was going into the hands of this small group. We are not helping the marginal farmer by that sort of process.

I want to also point out that 30 percent of the income of the farmers today—and this is a very gratifying figure—comes from nonagricultural pursuits. During the debate on the farm bill someone on the other side tried to ridicule the fact that farmers were getting some money by working in the factories. Actually most farmers who want to live a rural life have welcomed that opportunity and are highly in favor of it. We are going to continue to have a decline in farm population just as we have since this country was first founded. We used to have 90 percent of our Nation in agriculture. The supports, when it gets right down to it—and you cannot escape it—are paid for either by the consumer, and what the consumer does not pay for the taxpayer does. I am satisfied that we all would be willing to tighten our belts if we thought it was really helping the farmer, because we do want to help him. But, when we know that this money that the consumer is spending and the tax money that is going into this Democratic program is not benefiting the farmer, then I think it is time to call a halt and call attention to the city consumer. I wanted to get these things in the RECORD, and I appreciate the gentleman yielding to me.

Mr. Hiestand. Will the gentleman go so far as to say in respect to his figures that this hideous plan is in effect forcing poverty on a lot of little farmers?

Mr. CURTIS of Missouri. Of course it is.

Mr. Hiestand. Then how can a political party for the people, for the man in the street, for the little man, justify its attitude in that regard?

Mr. CURTIS of Missouri. They can not. And, the thing that I cannot understand, having taken this callous attitude, they are the very ones that accuse Secretary Benson of trying to drive the farmer off the farm, which I have said is playing the role of the ignoramus, because they are ignoring the economic facts of life. Neither Secretary Benson nor any other individual wants to direct Americans anywhere. It is the economic facts that are here that are producing this situation, and I submit it is the one that faces up to the economic facts that will solve the problem for the marginal

farmer and make his plight a little more easy to bear and give him an opportunity to share in the wealth of this great country.

Mr. YOUNGER. Mr. Speaker, will the gentleman yield?

Mr. Hiestand. I yield to the gentleman from California.

Mr. YOUNGER. I just want to join my colleagues in congratulating the gentleman from California on the very fine presentation he has made. I think it is well to call attention here also that one of our great difficulties today in connection with the missile field results from the fact that for the last years prior to 1951 we put almost as much money into the support of the peanut crop as we did into missiles. But, one of the peculiar things to me in the debate the other day was that everyone that spoke, including the chairman of the Committee on Agriculture, admitted that the Democrat-sponsored program was not a good program; that they ought to do something about it, and yet they want to freeze it. Now, why freeze something that admittedly is not good? The logic of that, to me, was absurd, and I, for one, will be more than happy to vote to sustain the President's veto when it comes down.

Mr. Hiestand. I thank the gentleman.

Mr. McCARTHY. Mr. Speaker, will the gentleman yield?

Mr. Hiestand. I yield to the gentleman from Minnesota.

Mr. McCARTHY. I think we should point out that the chairman of the Committee on Agriculture did not intend to say that the program was not good. On the contrary, he said it was a good program being badly administered, and the effort on the part of the Democrats was not to change the program but simply to keep Ezra Taft Benson from further maladministration of the program which, under good administration, could go a long way toward solving the farm problem.

Mr. Hiestand. I take it that the gentleman feels it had good administration while the same laws were enforced under a Democratic administration.

Mr. McCARTHY. It worked quite well.

Mr. Hiestand. That is exactly how we got into this fix.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield further?

Mr. Hiestand. I yield.

Mr. CURTIS of Missouri. I think the gentleman from Minnesota is mistaken. The best test, of course, is to read the record. I think the gentleman will find that the chairman of the Committee on Agriculture said that he admitted that this was not the answer, was not a good program, and that they had to hold it in line until his committee—and he pointed out he had a bunch of subcommittees set up to study this commodity by commodity—could come in with a proper program. I think the record will bear that out.

Mr. McCARTHY. I suggest the gentleman read the record.

Mr. ALGER. Mr. Speaker, will the gentleman yield?

Mr. Hiestand. I yield to the very forthright gentleman from Texas.

Mr. ALGER. Not having the seniority of some of the other Members, I cannot indulge in the political interchange quite so well, possible, although I heard lots of fallacies presented on the floor during the course of the debate last week. If we are to set a course of policy in freeing the farmer, we should think of principles along that line. Certainly on the Democratic side we have had nothing but rigid high price supports presented to us.

I have been rather puzzled, since I have been here for two terms, listening to my colleagues on both sides of the aisle, particularly on the Democratic side, who say that we have got to perpetuate a wartime policy. Since *Mayflower* days we have had fewer farmers. That is the normal course in this country. And I make the bold statement right now that there are too many farmers on the farm, and the reason for it is that they are being kept there by the high wartime bonuses which have not yet been removed.

Mr. Speaker, let me say in passing, that I was disturbed after our debate the other day over the fact that some Members of this House think that there is a clash of views between the farm and the city Congressman. As far as I am concerned, representing largely an urban area, this is not so, because I believe that the aims of both the rural and the city Congressmen are the same, in trying to look after the best interests of the people. I think this will necessarily give support to the flexible plan of returning the farmers to the free market place where the normal laws of supply and demand can determine these things rather than having Congressmen and bureaucrats telling the people how they ought to run their lives.

We have a poor Texan right now who has the temerity to challenge the power of the Secretary of Agriculture to limit his acreage. Is not that a lost cause, indeed? But I admire his courage for saying that "as a free American I have the right to plant what I want and to grow what I want." Of course, that is old-fashioned Americanism, but I happen to lean that way, much more so even than our administration. This gives no comfort to the Democratic side because they are far more of a controlled group than that represented by the Republican side regarding the present farm program.

Something was said about the consumer and the little fellow. Mr. Speaker, I want to commend the gentleman who has the floor for the observations that he has made. We know that when the Federal Government spends money in the name of the taxpayer we have got to increase 1 of 2 things. We have got to increase either the taxes which come out of the little man's pockets, because he bears about 85 percent of the total tax levy, or we are going to have to water the same dollar bills that he has got in his pockets in terms of buying



power through inflation and deficit financing.

Mr. Speaker, finally, I want to join with my colleagues who have said it probably far better than I, in commending the gentleman for pointing out to us the problem that is facing us. The fact is we cannot sit on our hands, but we have to, through efforts such as this, call the attention of the American people to the fact that the farmers do not want to be the wards of the Government.

Mr. HIESTAND. Mr. Speaker, I thank the gentleman from Texas.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. HIESTAND. Happy to yield to the gentleman from Arizona.

Mr. RHODES of Arizona. Mr. Speaker, I want to thank the gentleman from California for his fine presentation and for all of the work he has put into the very difficult subject.

I was interested in the statement of the gentleman from Minnesota [Mr. McCARTHY] that this program worked better under the Democrats than it does under the Republicans, because, unless my memory is wrong—and I am glad to be corrected if the gentleman is so inclined—this flexible-price-support system actually never went into operation until long after the end of the Korean war. So it was never in operation except under Secretary Benson. Before that time there were various stopgap pieces of legislation for farm price supports, among them being the high rigid formula which is so dear to hearts of so many of our people across the aisle.

I might say that there are quite a few people who are from the other side of the aisle, in this body and in the other body, who are devotees of flexible price supports as against the rigid price supports. One of them is the great former Secretary of Agriculture, now a distinguished Member of the other body, from the State of New Mexico.

Mr. Speaker, I happen to represent a district which is a little bit unique in that it encompasses a city of some 400,000 people, but is also the fifth largest agricultural county in the United States. So I represent city folks and I represent farmers. I do not think anybody would seriously challenge the statement which I make when I say that I am definitely for the farmer and I am also very much imbued with the thought of keeping the cost of living down as much as I can.

The farmer has not been well served by the Democrat-sponsored agricultural program based on high rigid price supports. That we know. We do not know the answer to the agricultural problem. I do not think anybody does.

The best answer I can think of would be to allow the farmer to produce enough food and fiber to satisfy the markets which he can get at a competitive price.

The situation now, of course, is that the farmer has been held down on acreage and therefore on the products which he can produce. Because of that he has lost the foreign trade, he has lost markets here at home, to synthetics and other products which are in competition with agriculture.

In 1950 the cotton situation was such that we actually had to impose export quotas on cotton. This was at the beginning of the Korean war. Prior to that time a Secretary of Agriculture of the other party had made a mistake in saying that the cotton carryover should be a certain number of bales, when actually the carryover was far too small. We lost by that export quota situation in 1950, foreign markets which we have never been able to get back and which we are now trying to get back by the use of Public Law 480 of the 83d Congress and through other means.

The farmer has been much pitied, but he has not been helped very much by those who do the most effective job of pitying him. The farmer does not need to be pitied. What he needs is to be helped by a sane, sensible policy which will realize that he is a businessman, and as a businessman it is necessary for him to compete on the world market and with other group of our Nation in a situation and atmosphere which is best calculated to allow him to do the job of making a living for himself and his family, which is really all any American farmer wants to do.

I thank the gentleman for yielding to me, and again want to compliment him on the fine statement he has made.

Mr. HIESTAND. I thank the gentleman from Arizona.

I now yield to my very good friend and colleague the very able Congressman from the adjoining district of California [Mr. HOLT].

Mr. HOLT. Mr. Speaker, I want to compliment my colleague and neighbor, the gentleman from California, on his very fine presentation here today. I am aware probably more than most others of the large district that he represents, the largest portion of Los Angeles County, which is the largest agricultural county in the United States today. Also, it ties in on the north with an area where there are a lot of corporation farms, which concern us very much because the small farmer is driven out of business today.

I want to associate myself with the gentleman's remarks. I think it is wonderful that the gentleman has brought not only the topic we are now discussing but the rest of it to the floor of the House today. In America we discover only certain issues are highlighted in the press and certain votes of Congressmen spread through the land. The American people demand action. The AFL-CIO pick out certain of the votes, and this will probably be one of them, and it will be twisted around especially as far as the consumer is concerned. I think the gentleman has done a real service. It is high time we get the truth before the American people.

Mr. HIESTAND. I thank the gentleman from California.

Mr. THOMSON of Wyoming. Mr. Speaker, will the gentleman yield?

Mr. HIESTAND. I yield to the gentleman from Wyoming [Mr. THOMSON].

Mr. THOMSON of Wyoming. Mr. Speaker, with regard to this support-price freeze, I do not myself believe that over the long haul it is going to have a

marked effect on the food prices, for the simple reason that in order to produce our food in this country the people who produce it are going to have to have enough return to enable them to stay in business, just like any other business. But the alarming thing the gentleman hits upon, and that I think is so important, is that the large amounts of money we are spending on the so-called agricultural program now are approaching \$5 billion a year. Those funds are not going to help the farmer at all. As a matter of fact, they are hurting him. But the consumers, every American, the taxpayers, carry the burden of that. The storage cost alone of the excess production, \$100 million a day on what has been stored, is very alarming. We are all burdened with that.

When it comes down to the farmer, just like any other business, his income, which was talked about so much on the floor of the House as being an alarming situation, is still production times crops.

With this Democrat-sponsored political program that has been thrust at him to gain votes and not to help the farmer, we have found we have had shifts taking place that were never intended, uneconomic production. It has not helped the people. In my area we produce a high-quality wheat for which there is a market above support prices. The farmers out there have been forced to take a 40-percent cut in production. The smaller farmers are finding it hard to live with. That wheat acreage is shifting off into Alabama, Louisiana, and places like that, that raise feed wheat, that ought to be in competition with feed grain or corn, but they cannot compete with them on a free market. Basically, it has hurt the farmer. It is putting him into the position that two commodities now find themselves in.

In the case of tobacco we provided a minimum acreage of half an acre to enable a man to stay on the farm on a substandard-of-living basis. For the cotton farmer we have established a 4-acre minimum. That is not an American standard of living; that does not make a farmer out of him, putting him in pins. Certainly we have got to get back to the principle of supply and demand, to allow a man to produce for a market at a price under which he can afford to stay in business, eliminate the waste and get back to a sound income basis if we are going to help the farmer. Then we have got to take care of the taxpayers in this \$5 billion expenditure that we are now running into that has harmed the farmer since 1946 when the war was over rather than helped him. I again congratulate the gentleman on the fine statement he has made.

Mr. BASS of New Hampshire. Mr. Speaker, will the gentleman yield?

Mr. HIESTAND. I yield to the able gentleman from New Hampshire.

Mr. BASS of New Hampshire. I wish to add my congratulations to my friend and colleague from California on his able and thought-provoking presentation.

Mr. Speaker, last Thursday the House passed the so-called "quick freeze" agriculture bill, Senate Resolution 162. This



legislation freezes for an additional year farm price supports and acreage allotments at 1957 levels and places nine additional agriculture commodities under mandatory supports. The bill passed by 210 vote to 172.

This resolution penalizes the consumers—the great majority of persons in this country who, as consumers and taxpayers, will be required for another 12 months to foot a higher bill for food and taxes to pay for this political program.

The interesting part about the vote last Thursday was the support this bill received from 29 “big city consumer Democrats.” Frankly, I wonder if these gentlemen realize what they did when they voted for a “freeze” in price supports? Briefly, let us examine just two basic crops under high price supports—wheat and cotton.

First, wheat: A consumer in this country with an income of between \$2,000 and \$5,000 per year pays in taxes each year an estimated \$6.49 for the price support program for wheat, but in addition, it may cost him \$20 a year more for the higher price of bread, which price supports add. And the consumer receives no benefits from the wheat price support program.

Let us take a look at cotton. The cost of the Federal cotton programs is estimated at \$500 million a year or about \$4.76 for each adult in the country. Cotton consumption per adult in the United States is about 42.8 pounds per year. If only the increased cost of the cotton were passed on to the buyer, price supports would mean an average additional cost for each adult of \$2.87 each year. However, this is only part of the story, for the higher raw-material cost results in higher margins for the numerous steps through which it passes, and the cost of the retail article must be increased at least twice the actual increase in raw-cotton costs. This figures out to about \$5.74. Thus, in cotton, the average citizen pays an extra \$4.76 per year in taxes for cotton price-support laws which result in his paying an average of \$5.74 extra for his purchases of cotton products. Or, put it another way, more than 105 million adult citizens in this country pay out \$10.50 per year to support cotton and enjoy no benefits.

In addition to the direct cost as taxpayers and consumers of these two items, the taxpayer-consumer pays as a part of his Federal-tax bill his share of foreign disposal of surplus wheat and cotton. And, incidentally, none of this money goes to the farmer—rather it pays the Government loss in selling what it must dispose of abroad. And this loss is represented by storage and transportation charges, not by any proceeds to the farmer.

The facts are clear. What our big-city Democrat friends voted for is a \$300 million increase for next year in the senseless double-cost-to-the-taxpayer-and-consumer price-support program, which has tragically failed this country for so long, including the farmers.

(Mr. BASS of New Hampshire asked and was given permission to revise and extend his remarks.)

Mr. TEAGUE of California. Mr. Speaker, will the gentleman yield again briefly?

Mr. HIESTAND. I yield to my colleague, the gentleman from California.

Mr. TEAGUE of California. I am anxious that the Members of the House have called to their attention again a statement which appeared in the RECORD a week or so ago here on the floor. One of the members of the Democratic Party, a member of the Committee on Agriculture, was asked the question in effect: “Are you in favor of driving the small farmer to the wall?” He replied in substance this way: “It is the high-price, rigid-support policy which has driven the small farmer to the wall.”

Mr. HIESTAND. I thank the gentleman. That is very much in line with the conclusions we have been drawing. If the situation is that bad why should we continue it?

Mr. NEAL. Mr. Speaker, will the gentleman yield?

Mr. HIESTAND. I yield to the gentleman from West Virginia.

Mr. NEAL. Mr. Speaker, I too think that the gentleman from California has brought up a very important subject. Rather than emphasize the ill effect the Democrat sponsored high price support program is having on the consumers in the cities, it might be well to bring out the fact that there are quite a few States in the Union that are more or less rural in character. Our State of West Virginia is one of those rural States. We have no farm land to speak of, we have no wheatgrowers except a few in the eastern panhandle. We have no corn that goes on the commercial market. We have a little tobacco that is grown down in my section that does have supports. We have not cotton, no peanuts, or anything else that is supported. When it comes to the interest of the consumer who after all is the rank and file citizen of this country, we ought to give him some consideration. While we desire in every way that we can, to see that the farmer has a sufficient amount of prosperous production, yet at the same time the consumer is the one person who is finally interested in this matter. When we in West Virginia think that our farmers who raise feed animals have to go on the market to buy feed costing twice as much or three times as much, because the feed is based on support prices of the raw material, we can see that he is greatly handicapped. The same thing applies to poultry raisers. When we think that the people in our State pay taxes to buy these high-priced commodities and store them, and then pay double prices or triple prices on the raw materials that come to us, it is a very unfair situation the way the law reads today. For that reason I think you have done a good job in trying to bring to the attention of the consuming public that this question of farm supports at least on the basis of high priced rigid price supports is not good for the consumer. It is only good for a few of the big commercial farms and farmers who have heretofore reaped most of the profits.

Mr. HIESTAND. I thank the gentleman.

### FOOD COSTS

(Mr. DEROUNIAN asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. DEROUNIAN. Mr. Speaker, my constituents today pay a higher price for farm products than ever before. At the same time, as taxpayers, they are paying out more money for the support of the farm program than ever before.

Since 1951, the taxpayer has been bled of \$1,618.6 million just to store unneeded, unwanted surplus stocks of farm products, stocks which are a direct result of the Democrat farm program.

Actually, the cost is far higher because we have had to store excess farm products ever since 1934, but I cannot give you the costs prior to 1951—they are lost in the records of the Truman Reconstruction Finance Corporation mess.

One thing is clear, though—every year that the Democrats force upon the American people their farm program—and this administration is still forced to administer Roosevelt-Truman farm programs—the cost to store excess farm products goes higher. The Democrat sponsored and supported Senate Joint Resolution 162 is one more step on the road to greater spending.

In 1934, when the farm price support program was begun, commodity loans totaled \$259.8 million and the farm population was 32,305 or 25.6 percent of our total national population. In 1957, with the farm population down to 20,396 or 12 percent of our total national population, commodity loans rose to \$2,444.5 million—a drop of 13.6 percent in farm population but an increase of \$2,184.7 million or 949 percent in support to the farmer and costs to the taxpayer.

I think it is time we stopped forcing the people to buy a program they do not want and gave the farmer the opportunity that is still permitted other American citizens—the privilege of free enterprise, unhampered and unencumbered by Government control.

### THE BENSON PLAN FOR UNIVERSAL PROSPERITY

The SPEAKER pro tempore (Mr. O'BRIEN of New York). Under previous order of the House, the gentleman from Michigan [Mr. DINGELL] is recognized for 30 minutes.

Mr. DINGELL. Mr. Speaker, the ingenuity of Ezra Taft Benson is without apparent limit. He has now devised a method for excusing one mistake with another mistake. And, into the bargain, he has conceived the Benson plan for universal prosperity: empty market baskets in the cities and empty pocket-books on the farms.

On February 10, 1958, the United States Department of Agriculture, in a general news release, announced that “more than 339 million pounds of food were donated through the direct distribution program of the Agricultural Marketing Service for use in school lunch



programs, in institutions and by needy persons in this country from July through December, 1957."

"Donations," the release continued, "decreased by about one-third from those distributed in the same period a year ago. USDA officials said the decrease was due to the fact that several commodities distributed a year ago were not available for donation during the last 6 month period."

Thus does Secretary Benson answer the anguish of the unemployed: "We have no food to give you." Mr. Speaker, I would not abuse a man who was prisoner of the laws he administers. If it were the law that locks the storehouse in the very sight of the starving, then

I would demand that the law be humanized. But it is not the law that is the villain here. The gun is inanimate. It is Mr. Benson who has pulled the trigger.

"We have no food to give you." Oh, yes. "We have no food to give you." But, Mr. Speaker, this is the same Ezra Taft Benson who, in his other incarnation, tells the suffering farmer, "We will not buy your food." This is part of the right to suffer which we were once told by a functionary of the Eisenhower administration is the newest of our civil rights—though I cannot for the life of me recall reading it in the Bill of Rights or anywhere else in the Constitution.

It reminds me, without amusement, of the lines from Lewis Carroll's *Through*

the Looking Glass from a walrus to the oysters he was about to eat:

"I weep for you," the walrus said:  
"I deeply sympathize."  
With sobs and tears he sorted out  
Those of the largest size,  
Holding his pocket handkerchief  
Before his streaming eyes.

Mr. Speaker, like the oysters in the verse, we are asked to subsist on consolation and subterfuge. I ask consent to introduce at this point in the CONGRESSIONAL RECORD a table showing the quantities of surplus foods donated for domestic and foreign use during fiscal 1956, fiscal 1957, and the first half of fiscal 1958:

Quantities of surplus foods donated for domestic and foreign use, fiscal years 1956, 1957, and estimated 1st half fiscal year 1958

[Million pounds]

Commodity	Domestic												Foreign distribution			Total distribution		
	Schools			Institutions			Needy persons			Total			1956	1957	1st half 1958	1956	1957	1st half 1958
	1956	1957	1st half 1958	1956	1957	1st half 1958	1956	1957	1st half 1958	1956	1957	1st half 1958						
	1956	1957	1st half 1958	1956	1957	1st half 1958	1956	1957	1st half 1958	1956	1957	1st half 1958	1956	1957	1st half 1958	1956	1957	1st half 1958
Beans, dry.....	24.7	28.3	15.7	11.1	9.2	(1)	41.4	42.9	0.2	77.2	80.4	15.9	49.7	67.3	-----	126.9	147.7	15.9
Butter.....	51.1	46.3	36.8	30.8	9.4	10.7	34.4	12.5	-----	116.3	68.2	47.5	98.4	.3	-----	214.7	68.5	47.5
Butter oil.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	99.0	4.7	-----	99.0	4.7	-----
Cheese.....	29.0	31.7	17.0	15.3	15.6	7.0	43.1	71.6	19.8	87.4	118.9	43.8	138.5	118.4	114.7	225.9	237.3	158.5
Corn.....	3.7	.5	-----	2.1	.4	-----	.2	-----	-----	6.0	.9	-----	78.0	36.9	35.9	84.0	37.8	35.9
Cornmeal.....	-----	17.7	9.6	-----	9.5	4.2	50.6	89.9	27.3	50.6	117.1	41.1	-----	268.2	187.7	50.6	385.3	228.8
Cottonseed oil.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	1.9	-----	-----	1.9	-----
Eggs, shell.....	-----	30.0	-----	-----	7.2	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	37.2	-----
Egg solids, dried.....	-----	-----	4.8	-----	-----	-----	-----	-----	-----	-----	4.8	-----	-----	-----	-----	-----	-----	4.8
Flour.....	-----	46.1	26.0	-----	56.8	29.6	77.1	140.8	45.4	77.1	243.7	101.0	-----	528.2	402.8	77.1	771.9	503.8
Ground beef, frozen.....	-----	71.3	-----	-----	-----	-----	-----	-----	-----	-----	71.3	-----	-----	-----	-----	-----	71.3	-----
Lard.....	8.1	16.5	-----	5.0	6.0	-----	23.2	1.6	-----	36.3	24.1	-----	-----	-----	-----	36.3	24.1	-----
Milk, nonfat dry.....	22.1	23.6	12.6	14.6	15.5	5.9	49.2	82.7	29.0	85.9	121.8	47.5	411.2	446.1	341.4	497.1	567.9	388.9
Peanut butter.....	-----	-----	3.5	-----	-----	-----	-----	-----	-----	-----	-----	3.5	-----	-----	-----	-----	-----	3.5
Pork, canned and frozen.....	64.9	52.1	-----	16.5	-----	-----	31.4	4.2	-----	112.8	52.3	-----	-----	-----	-----	112.8	52.3	-----
Potatoes, sweet.....	11.1	-----	-----	7.4	-----	-----	2.5	-----	-----	21.0	-----	-----	-----	-----	-----	21.0	-----	-----
Rice.....	17.4	21.9	12.8	9.4	10.8	4.2	23.5	47.6	17.5	50.3	80.3	34.5	104.0	201.5	68.2	154.3	281.8	102.7
Shortening.....	19.4	-----	-----	10.2	-----	-----	17.5	-----	-----	47.1	-----	-----	17.0	-----	-----	64.1	-----	-----
Turkeys, frozen.....	-----	22.6	-----	-----	2.6	-----	-----	-----	-----	-----	25.2	-----	-----	-----	-----	-----	25.2	-----
Wheat.....	6.7	1.9	-----	6.9	6.4	-----	.3	(1)	-----	13.9	8.3	-----	224.7	55.3	23.6	238.6	63.6	23.6
Other.....	6.5	-----	-----	.7	-----	-----	-----	-----	-----	7.2	-----	-----	-----	-----	-----	7.2	-----	-----
Other.....	-----	7.1	-----	-----	5.1	-----	-----	-----	-----	-----	12.2	-----	-----	-----	-----	-----	12.2	-----
Total.....	264.7	417.6	138.8	130.0	154.5	61.6	394.4	489.8	139.2	789.1	1,061.9	339.6	1,220.5	1,728.8	1,174.3	2,009.6	2,790.7	1,513.9

<sup>1</sup> Less than 50,000 pounds.

<sup>2</sup> Butter equivalent of 79.2 million pounds of butter oil.

<sup>3</sup> Butter equivalent of 3.8 million pounds of butter oil.

<sup>4</sup> Special distribution for hurricane disaster relief in Puerto Rico.

<sup>5</sup> Includes cottonseed oil.

<sup>6</sup> Includes commodities in limited quantities: Cabbage and fresh prunes in fiscal year 1956.

<sup>7</sup> Includes commodities distributed domestically in limited amounts during fiscal year 1957: Cabbage, fresh plums, sweet potatoes, and cottonseed oil.

For convenient comparison, I have prepared another table showing the donation programs for fiscal 1956 and fiscal 1957 on the basis of an adjusted half yearly rate.

I ask consent to introduce this table in the RECORD at this point:

#### Half year rate

[In millions of pounds]

	Adjusted 1956	Adjusted 1957	Actual 1958
Schools.....	132.3	208.8	138.8
Institutions.....	65.0	77.3	61.6
Needy.....	147.2	244.9	139.2
Domestic total.....	344.5	531.0	339.6
Distribution abroad.....	610.2	864.4	1,174.3
Total distribution.....	954.7	1,395.4	1,513.9

Several things are immediately apparent from this comparison. First, distribution of food to the needy was lower in the first 6 months of fiscal 1958, a period of rising unemployment and substantial hardship for millions of American families, than it was in either of the two preceding years, which were among the most prosperous in history.

Second, although domestic donations have plummeted, total distribution has risen steeply. Why? Because we are sending more food overseas. Six hundred and 10 million pounds in the first half of fiscal 1956. Eight hundred and sixty-four million in the first half of fiscal 1957. One thousand one hundred and seventy-four million through the first half of fiscal 1958.

I am not here, Mr. Speaker, to debate the wisdom of donating food abroad. I know only that under Public Law 480, 83d Congress, the Secretary of Agriculture is specifically directed—by law—to donate to voluntary agencies for use overseas only those foods which are in excess of what may be required in the United States, by first, the school lunch program, second, charitable institutions and third, needy persons.

I, for one, would like an explanation of how this miracle of the two-way stretch has been brought to pass. How is it that domestic distribution of cheese, which was 118.9 million pounds for all of fiscal 1957, stands at only 43.8 million pounds or 37 percent for the first half

of fiscal 1958—while, at the very same time, foreign distribution for the first half of fiscal 1958 stands at 114.7 million pounds or very nearly 97 percent of the total for the entire 12 months of fiscal 1957? How is that domestic distribution of nonfat dry milk, which was 121.8 pounds for fiscal 1957, stands at just 47.5 million pounds or 39 percent for the first 6 months of fiscal 1958—while, at the very same time, foreign distribution for the first half of fiscal 1958 was 341.4 million pounds or more than 76 percent of the total for the whole of fiscal 1957?

The answer that the Department of Agriculture gives is twofold. One—domestic consumption is down because several commodities distributed a year ago were not available. Two—foreign distribution is up because of increased shipments of grain products. A tidy explanation, Mr. Speaker, except for one thing. It is half non sequitur and half deliberate evasion. The items which Agriculture claims to have exhausted do not explain the drop in domestic distribution—not by 100 million pounds. And



the increase in grain shipments does not explain the leap in foreign distribution—not by 100 million pounds. Unless, of course, cheese and milk are classified as cereal grains under some new system devised by the redoubtable Mr. Benson.

Mr. Speaker, I do not like to have dust thrown in my eyes. And I do not care to be hoodwinked by semantic improvisation.

But this fancy footwork is only a small part of Mr. Benson's repertoire. Mr. Benson tells us that certain foods were not available for domestic distribution. What he fails to explain is why they were not available.

They were not available because Ezra Taft Benson, in his discretion as Secretary of Agriculture, decided they would not be available. I think you will agree with me that he ought not to be allowed to charge off the failure of the domestic donations program to a failure of supply when he himself could have guaranteed that supply. As I have charged, this amounts to excusing one mistake with another.

Let us look at this a little more closely. As you know, Public Law 480, the Surplus Disposal Program, is actually a three-part law. The second and third parts concern barter and donation programs—one for overseas famine relief on the explicit authority of the President, the other for general relief at home and abroad. Foods for both types of programs come out of the stocks of the Commodity Credit Corporation. They are price support commodities—and, if I am correct, it is the price support element which the general public understands to be in effect whenever the words "surplus disposal" are used.

But, Mr. Speaker, under the first part of Public Law 480, "surplus disposal" is not used to refer alone to price-support commodities. In granting to the Secretary of Agriculture the authority to sell surpluses for foreign currency, the law defines surplus as "any agricultural commodity or product which is or may be reasonably expected to be in excess of domestic requirements."

In other words, an item need not be supported to qualify under the law for surplus disposal. Agriculture need not wait for the commodity to accumulate in CCC warehouses. It merely decides what is in excess of domestic requirements then chases out to the grocer's with a hat full of cash.

But such open market purchases are quite plainly hidden price supports and, as such, they help the farmers. God knows, I am all for helping the farmers. But I am not required to believe in fairies or to accept masquerade for fact. The reason certain commodities have never reached the CCC is that they have been shortstopped under title I of Public Law 480.

Nor is this the only reason.

We have all heard tell of Secretary Benson's flexible support program. The very mention of it is enough to send some of my farm State colleagues into paroxysms of anger. Farm belt Republicans shudder at the thought of it.

Mr. Speaker, the "flexible" support program is a miracle of ineptitude. We know what awful effects it has had on the farmers. What is not generally understood is that "flexible" supports have also desperately injured America's needy. For it is this pernicious program—pernicious certainly in periods of economic decline—which has effectively closed the storehouse to the hungry. With a realistic support level some of those commodities which Secretary Benson claims "were not available for donation" would in fact have been available. We would not then be confronted with the irony of declining supply in the face of mounting need.

Nor is this the worst part of it.

Earlier in another speech, I pointed out how Secretary Benson has failed to meet his responsibilities under section 32 of the 1935 Agriculture Act. This is the law which provides for donation of perishables purchased in the open market.

Mr. Speaker, it is these items which are principally included among the "several commodities distributed a year ago which were not available for donation" during the first half of fiscal 1958. And I submit it is dishonest to pretend otherwise.

I repeat: The donation program has shrunk to nothingness because Secretary Benson willed that it should shrink to nothingness.

Let this pious humanitarian explain—without deliberate evasion—why domestic donations dropped out of sight in the first half of fiscal 1958.

Let him explain why he has refused relief both to the farmer and the unemployed.

Let him explain why he has failed to live up to his responsibilities under section 32, why he has failed to divert those extra items which are clearly excess to requirements and which are clearly depressing the agricultural market.

Mr. Speaker, it ought not to be necessary for me or any other Member of Congress to come before this House to plead for action on a food stamp bill. As I have already demonstrated, Secretary Benson now has all the authority he really needs. But, in common with other members of this Republican administration, Mr. Benson is a man of sluggish sympathies. He is playing brinkmanship with human misery. He substitutes worship of his budget for humanity.

We are told to wait. To wait.

Waiting is fine for corporations which can sit back easily on their profit cushions and, from their picture windows, watch former employees mill around on the corner that prosperity is "just around."

The Eisenhower administration says it is worried about unemployment. It is terrified of the swollen statistics. It sees the curve climbing steadily on the graph. And it vows that when the line passes this point or that point action will follow.

But, Mr. Speaker, unemployment is not alone a matter of numbers. It is life shorn of hope. It is the death of self-respect. It is a man scanning the want

ads and shambling irresolutely from door to door and finally sinking down helplessly on a park bench to pass the day. It is hungry children and wives in bread-lines. It is fear, the uninvited guest in parlor.

I am quite sure this atmosphere has not intruded at Burning Tree. Apparently it cannot get an appointment either with Secretary Benson.

And so I say Secretary Benson must be made to understand. If he will not act when the law gives him permission but does not direct him to act, then we must rewrite the law so there is no discretion.

#### BEWARE OF THE IDES OF MARCH

The SPEAKER pro tempore. Under previous order of the House, the gentleman from West Virginia [Mr. BYRD] is recognized for 10 minutes.

Mr. BYRD. Mr. Speaker, this is the season to heed the historic warning: "Beware of the Ides of March."

Unless all signs miscarry and I miss my guess, there is something going on in the field of diplomatic activity that warrants vigilance and inquiry.

There have been more than a few hints in recent days that secret diplomacy, the discredited device of other days of unhappy memory, is back in favor.

While the international postal shuttle is exceedingly busy on its rounds delivering missives between the White House and the Kremlin, the international manipulators appear to be working overtime backstage.

For public consumption, the story is that we are holding firm for proofs positive of Soviet deeds for peace before agreeing to a summit meeting. Such a policy has the unquestioned support of American opinion.

Our people recall only too well the litany of broken Soviet pledges. They remember the Berlin blockade, the Communist plots against Iran, Greece, and Turkey, the imprisonment of millions behind the Iron Curtain in the captive satellite states. The unholy record of Soviet vetoes in the United Nations is well fixed in the American mind, as are the Communists' trickery in Korea, their devious intrigues in the Middle East, their conspiracies against free governments from Asia to Latin America. The Soviet crucifixion of Hungary, the brutal stamping down of the East German revolt, the strong-arm tactics used against Poland: these are all Soviet crimes that cannot be erased from the public mind by the Kremlin's pious pretensions.

Yet in face of the dire and dismal record of the Soviets as the breakers of the peace, there are, as I said before, increasing signs that the West is getting ready to deal with the Reds, and seemingly on Communist terms.

One might go so far to suggest, in view of the inspired news releases finding their way into the public prints, that an understanding has been reached already, that the finishing touches are being applied to the package deal. All that remains is the proper preparation of the climate of public opinion so that



the results will be accepted by the democracies.

In view of the foregoing, Mr. Speaker, I venture to quote once more for the record, what Lenin said more than 40 years ago:

As long as capitalism and socialism exist we cannot live in peace; in the end, one or the other will triumph—a funeral dirge will be sung over the Soviet Republic or world capitalism.

It is well to be reminded of this prophecy from time to time as the joys of coexistence are being sung.

As diplomatic spokesmen tiptoe through the chancelleries of the world, I wonder if they have forgotten the Communists' record for violated pledges, treachery, subversion, intimidation and raw aggression. I wonder how they equate these with a program for peace?

In their travels, I wonder if these self-same diplomats bear in mind that it was with just such tactics that the Soviets reduced to captivity the once free and proud states of Albania, Hungary, Poland, Rumania, Bulgaria, Czechoslovakia, Lithuania, Estonia, and succeeded in brutally dividing Germany, Indochina, and Korea.

Just what magical formula of self-persuasion do our appeasers of Soviet deceit, treachery, and intransigence use to have their beliefs add up to the proposition that the Soviets are going to do right this time merely because they say they will.

For the record, and for all to see, and beyond any per adventure of doubt, the United States is committed to universal peace through peaceful aims and peaceful deeds.

The United States did not seek nor does it want any foreign territory. It is not our aim to seek dominion over any other people, nor would American public opinion support any such program of international aggrandizement. On the contrary, the American record has been one of great sacrifices of her sons, and vast outlays of money and skills for peace throughout the world—ours, in concert with our allies, has been a truly meaningful quest for peace.

America is paying heavily for a worldwide program designed to protect the peace through the deterrence of local or general war, and by strengthening the economic and political structure of the free world.

Before any apostles or practitioners of secret diplomacy go beyond the point of no return in their dealings, they should give pause to consider that the United States has peace-keeping alliances with 42 nations in the world, that we have bilateral treaties with Korea, Nationalist China, Japan, and the Philippines, and multilateral agreements as a result of NATO, SEATO, the Rio Treaty, and Anzus.

These systems of defensive alliances have been a bulwark which has stood as a warning against any general Communist aggression.

Are these peace protectors to be scrapped for the dubious and treacherous Soviet embrace?

Apart from the unthinkable desertion of such allies and commitments, have the "summit tomorrow" proponents estimated what such desertion would cost America in arms and manpower apart from the spiritual suicide it would represent? Are our allies to be tossed into the ditch of expediency?

National policy to be effective must have its origin and sustenance in public support. Any attempt to flout this principle is foredoomed to failure. If our foreign policy is to succeed, the American people must not be kept in the dark.

The pitfalls of secret diplomacy must be avoided like a plague. The need of our times in the realm of diplomacy is Woodrow Wilson's formula of "open covenants, openly arrived at."

Mr. Speaker, America yearns for peace, works for peace, sacrifices for peace. Before history we have honorably acquitted ourselves in the cause of peace. Peace with honor is our unceasing quest—peace for all men, for all peoples—peace with the assurance of self-determination for all national states, no matter how large, how small. What a national dishonor and tragedy it would be for America, born in liberty and dedicated to universal freedom, to be a party, in the name of expediency, to the confirmation in slavery of any nation. And let us make no mistake about it, one of the prime objectives of the Soviets for another summit conference is the formal ratification of the status quo which would mean the abandonment in slavery of those millions of souls behind the Iron Curtain.

By all means let us look to a meeting or meetings with the heads of foreign states who are truly concerned with peace. Let us strive everlastingly to achieve safeguards that will banish aggression as an instrument of national policy anywhere and everywhere in the world—let us make war obsolete—let us wage peace, without end.

But in so doing, Mr. Speaker, let us be guided by intelligent realism. We must insist on Soviet bona fides before Khrushchev & Co. sit at the conference table. Peace talks for the sake of talking can only serve as propaganda forums for the Soviets.

America comes with clean hands to the peace table—let Russia likewise qualify.

The conscience of mankind assesses America as a peacemaker. The Soviets have yet to make good on their peace pretensions.

Peace can only be conquered by good faith, validated through deeds-for-peace.

We say to Messrs. Khrushchev, Bulganin and others: Win your right to the summit parleys by redeeming your first summit conference pledges—by taking such first steps toward peace that will insure a fruitful meeting at the summit.

The world looks to Moscow to make good on its peace talk. The free world will not be lacking in enthusiastic and concrete response.

(Mr. BYRD asked and was given permission to revise and extend his remarks.)

## THE INTERDEPENDENCE OF AGRICULTURE AND INDUSTRY

(Mr. McCARTHY asked and was given permission to extend his remarks at this point.)

Mr. McCARTHY. Mr. Speaker, if the economy of the United States is to remain strong, a balance must be maintained between our agricultural economy and the economy of our small towns and of our cities. When the agricultural economy began to decline in 1952 and 1953, there were many of us who warned that this decline would later be reflected in unemployment and in a falling off of industrial production. Spokesmen for the administration and some economists argued that agriculture was not important in the overall economic picture and that this decline in farm income was not serious since the farm population had also declined.

Early in his term, Ezra Taft Benson talked about a consumer uprising against farmers and the farm program. He continued to encourage consumer opposition to the farm program, implying that the high cost of living was in large measure the result of the farm price support program. He was not content with this effort, but has consistently tried to set one farm group against another.

A sound farm program should be fair to consumers and processors, to those engaging in marketing and transportation, to the taxpayer, and to the farmer.

Let us consider first the question of whether or not the agricultural industry of the country, as it has operated with governmental assistance in recent years, has been providing a reasonably adequate supply of food and fiber for industrial and consumer use in the United States. Between 1910 and 1957, the population of the country has increased by approximately 70 percent. Total farm production has increased by about the same percentage during the period, but nearly all of the increase occurred within the last 15 years. In order to keep pace with expanding needs, the farmers of the country have had to break past production records. This great increase in production did not occur by accident. It involves significant changes in the agricultural methods and pattern of the United States. Farmers were forced to supply more food to a greater number of people with fewer man-hours of work, and with only a slight increase in the area of productive land. This increase was made possible for a number of reasons. Today farmers are producing more, with less labor and a little more land, because petroleum and electrically driven machines are more efficient in performing work once done by men and animals; because new and improved varieties of seed and livestock have been developed; because of the increased use of fertilizers and other soil-improving materials and methods; because much more attention has been given to soil care and water conservation, as well as to farm management.

Farming today requires a much greater investment in capital equip-



ment, and the operating costs in agriculture today are much higher than they were 20, 30, or 40 years ago. Farmers cannot be expected to produce at record levels unless their cash position is such as to permit them to finance the purchase of a much greater volume of materials, services, and power which are necessary for present high yield. In terms of current dollars, today's farm production expenses are approximately six times as high as they were in the 1910-14 period. In terms of dollars of equivalent value, today's farm-production expenses are approximately twice as high as they were in 1910-14. In view of these circumstances, farmers must have assurance of a market and a price that will keep them in business.

The principal problem in agriculture today is not one of overproduction and surpluses, but a problem of underproduction in many areas, and a problem of distribution. It is estimated that in order to supply each person, who would likely be living in the United States in 1975, at approximately the same level of diet that is now enjoyed in this country, an increase in agricultural production of about 20 percent will be required. At the same time, it is desired that the diet of many people be improved. In any case, the record shows that the farmers of the country have done well in meeting the food and fiber needs of the country in recent years, both in time of war and in time of peace.

The second question which is of interest both to consumer groups and to the farmers is this: has the farmer, in return for his contribution, received a just return? Has he been overpaid or has he been underpaid? And if so, has the Government farm program been responsible? Let us look at the record.

During Benson's 5 years in office, the price the housewife pays for food has increased. In the Consumer Price Index, food prices have risen 5.4 points—112.8 to 118.2—from January 1953 to January 1958.

Farmers' net income has dropped 24 percent. Last year witnessed a fall of 4 percent, from \$12.1 billion to \$11.5 billion—the lowest total since 1942. Prices paid to farmers have slipped 16 percent, and the farmers' share of consumer food spending fell from 47 percent to 40 percent in 5 years.

The Government's losses on farm price supports are  $3\frac{1}{2}$  times greater than in all the 20 years before Benson took office.

The budget of the Agriculture Department has soared. Nearly 20,000 employees have been added to the payroll.

Surpluses have piled up, and three times as much corn is on hand now as when Benson took office.

The farm population has decreased by more than 2 million.

Farm debt has increased by \$3.2 billion.

The farm foreclosure rate has doubled. Distribution of surplus food to schools and charitable institutions has failed to keep up with needs.

A prosperous agriculture is to the advantage of the workingman in the city, as well as the business and professional man in the city and small town. Stable

farm prices and incomes encourage high-level production of industrial goods and help maintain employment in industry. Moreover, a sound farm program is the best insurance of maintenance and conservation of agricultural resources. A sound and effective farm program is necessary to national security. It should, and can, provide a reservoir of goods against crop failure, and a stockpile in the event of international justice and peace.

#### THE AGRICULTURAL SITUATION

(Mr. REUSS asked and was given permission to extend his remarks at this point.)

Mr. REUSS. Mr. Speaker, I welcome the opportunity, as a Democrat from a city district, to state why I do not think Secretary Benson is doing a good job, either for the farmer, the consumer, or the taxpayer.

The family farmer—the most important man in American agriculture as far as I am concerned—has suffered catastrophe under Secretary Benson. Net farm income has declined from \$14.3 billion in 1952 to \$11.5 billion in 1957, according to Secretary Benson's own figures. In this same period, farm population has declined from 15.5 percent of our total population to 12 percent of the total.

On April 24, 1953, the Department of Agriculture announced its plan to push the marginal farmer out of farming and into industry.

Secretary Benson has succeeded with a vengeance in depopulating our farms. Secretary Benson's policies of driving the family farmer off the land are not made any more appealing by the existence of some  $5\frac{1}{2}$  million unemployed in our cities today.

Mr. Benson recently issued a press release in which he triumphantly proclaimed that the farmer's per capita income was at a record high of \$993 in 1957. The announcement was greeted by considerable surprise, for all other evidence pointed to a tragic farm depression. Then the mystery was explained. Farm income per head had been brought to its present level by reason of Secretary Benson's policy of eliminating the family-sized farmer. A little further investigation disclosed an official Department of Agriculture book called *Farm Population Estimates of 1957*, showing that farm population had dropped by more than 8 percent in the last year. More, it appeared that the first edition of this handy booklet had not only given these population figures, but had quoted farm people to the effect that the sharp drop in farm population had been caused by Mr. Benson's own farm policies. Evidently this disclosure bothered the Department of Agriculture, because it ordered the entire edition of 2,500 copies gathered up and burnt. The Intergovernmental Relations Subcommittee of the House Committee on Government Operations, of which subcommittee the gentleman from North Carolina [Mr. FOUNTAIN] is chairman, has called upon Secretary Benson to produce these 2,500 books or explain their destruction. Mr.

Benson has so far failed to give any explanation for his book burning.

I do not wish to suggest that Secretary Benson is opposed to the interests of all farming operators. His payment of untold millions of dollars under the Soil Bank Acreage Reserve to large operators of multiple farms shocked the Congress and caused us to impose a \$3,000-per-producer limitation in this year's Agricultural Appropriations Act. Secretary Benson is insisting even now on disregarding this limitation and paying out sums vastly in excess of \$3,000 to producers who operate multiple farms, even though the Comptroller General in his March 12, 1958, opinion has ruled that Secretary Benson is under no legal compulsion to do so, and could perfectly well restrict his payments to \$3,000 per producer, regardless of how many farms the producer operates. And so the trend toward the large corporate-type farming operation continues, at the expense of the family-type farmer.

Secondly, I believe that Secretary Benson's administration has been bad for the consumer. Under the 5 years of the Benson farm program, the farmers' share of the food dollar has dropped 7 percent. But consumers' food costs, as compiled by the Bureau of Labor Statistics, are up 2 percent. Meanwhile, the profits of processors, food chains, and other middlemen have shown phenomenal gains, such as the 14-percent rise last year of food chain store profits over 1956.

The 1954 cheddar cheese scandal aptly illustrates Secretary Benson's careful attention to the interests of the processor. At midnight of March 31, 1954, Secretary Benson dropped the price support level for dairy products. Up until this deadline, the Commodity Credit Corporation bought cheddar cheese from cheese processors at the higher support price of 37 cents a pound. On April 1, when the lower price support level went into effect, these same processors bought back from the Commodity Credit Corporation millions of pounds of cheese at only  $34\frac{1}{2}$  cents a pound. The processors' windfall profit total  $\$2\frac{1}{2}$  million, without the cheese ever leaving their warehouses. As a result of the alertness of the Intergovernmental Relations Subcommittee, the transaction was brought to light and the Department of Justice was directed to sue the recipients for their windfall profits. Several of the suits have already been successfully concluded, and the Treasury has recouped the money which Secretary Benson illegally paid out.

Thirdly, I believe that Secretary Benson's policies have been bad for the American taxpayer. Since 1954 the Department of Agriculture has increased the number of its employees by nearly 30 percent, from 64,000 to 81,000, despite the fact that the Department is giving service to half a million fewer farm families than in 1954. When Secretary Benson came into office, the annual cost for the activities of the Department was something like \$700 million. Secretary Benson's budget request for the current fiscal year called for more than \$5 billion, about 7 times the pre-Benson rate.

The high cost of Secretary Benson to the American taxpayer is set forth in de-



tail in the October 1, 1957 issue of *Look* magazine, which incidentally is a Republican periodical. In an article entitled "Fraud, Graft, and Folly in the Farm Program," *Look* says:

After almost 5 years of the Eisenhower farm efforts, there is shocking news for the American taxpayer in the vast domain of surpluses, storehouses, and subsidies operated by Secretary of Agriculture Ezra Taft Benson.

Among the cases where Mr. Benson's administration has proved costly to the taxpayer is that of Jon M. Jonkel. Mr. Jonkel, who had been convicted of violating the Maryland election laws and paid a \$5,000 fine, and who had outstanding against him at least half a dozen default judgments, was allowed to become the successful bidder on a \$9 million deal to buy CCC owned rice for export to Indonesia. As the gentleman from North Carolina [Mr. FOUNTAIN] has pointed out, the Department of Agriculture "if it had taken the trouble to pick up the phone and call Dun and Bradstreet or the District Court, would have found that Mr. Jonkel did not have the kind of company most good businessmen would want to entrust with a \$9 million contract. Mr. Jonkel, as might have been expected, defaulted on the contract. I hope the Department of Agriculture learned something through its business venture with Jonkel because whatever experience they may have gained cost the taxpayers more than \$50,000."

Conservationists the country over are disturbed by Secretary Benson's wasteful program of draining valuable wetlands, particularly in Minnesota and the Dakotas. Already this drainage program has destroyed almost one-third of the Nation's finest breeding grounds for migratory waterfowl. The Benson farm drainage program has not only resulted in a waste of millions of taxpayers' dollars. It has been conducted without regard to the conservationists' viewpoint as represented by the Bureau of Sport Fisheries and Wildlife of the Department of Interior. The Bureau on August 27, 1957, told the Intergovernmental Relations Subcommittee that Secretary Benson's farm drainage regulations "do not reflect cooperative or sympathetic consideration of the views of the Bureau of Sport Fisheries and Wildlife on the impact of drainage on waterfowl habitat. We also wish to point out that the Bureau of Sport Fisheries and Wildlife was not provided an opportunity to review these regulations prior to their acceptance by the Secretary of Agriculture."

These are but a few of many instances of waste in the farm program.

I agree that a constructive long-term legislative program is desperately needed. Senate Joint Resolution 162, which is now before the President, extends the present price supports at their current level for 1 year, in order to permit the writing of such legislation. I hope that there will shortly be presented to the House a farm bill similar to many sponsored by Democrats, built upon the following three principles:

First. A policy of insuring that reasonable prices for farm products are

channeled through to the consumer, if need be by a vigorous program of anti-trust law enforcement.

Second. Production payments, out of funds based upon ability-to-pay taxation, to the family-sized farmer so as to yield him a fair overall return.

Third. An incentive to farmers to adopt sound soil, water, and wildlife conservation practices.

No doubt Secretary Benson will greet such a program as he always has, with the charge that it is the Brannan plan and moral bankruptcy. But it is a constructive program, and Democrats, whether from farming or city areas, are going to continue to press for it.

#### GREEK INDEPENDENCE AND CYPRUS

Mr. O'HARA of Illinois. Mr. Speaker, on this anniversary of Greek independence I am addressing my remarks to the subject of self-determination. This is the right we demanded for ourselves in our War of Independence. It is the right that we gave to the people of the Philippine Islands. It is the right for which we fought in the Spanish-American War and in World War I and World War II, the right of peoples everywhere to determine for themselves the kind of government under which they would live.

We cannot retreat from our position, steadfastly adhered to and by which we have lived. Retreat from that position would be the abandonment of our destiny as leader of a free world. No land is free when the people of that land are denied the right of self-determination.

Bonds of blood and of common interest unite the people of our country and of the United Kingdom. Together we have fought side by side in the two most devastating wars in all history. The mother of the great Winston Churchill was an American. My own mother was of English birth. There are many similar ties that unite Americans and the English. I hope the day will never come when there will be a severance of ties of sentiment and of friendship between the two great English-speaking nations.

It is in this spirit that on this anniversary of Greek independence I approach the subject of Cyprus. The position of the British Government in denying to the people of Cyprus the right of self-determination is building an ever-widening gulf that can only be bridged when to the people of Cyprus has been given the free exercise of this sacred right of self-determination. The American people will not retreat from this stand defending the right of self-determination by all peoples because that goes back to the foundations of our faith and is part and fiber of our national character. It would be much better for the maintenance of relations between allies if the British Government should come to that realization in its policy in Cyprus.

That there should be no doubt as to the position of the American people, I strongly urge early consideration of and favorable action on House Resolution 509, which I have introduced and which

is similar to measures introduced by several of my colleagues. This is a sense resolution, the passage of which should bring forcibly to British attention the devotion of the House and the American people to the principle of self-determination and their insistence that this principle be applied to Cyprus.

We in the House of Representatives of the Congress of the United States are happy to join in celebration of Greek Independence Day.

In 1821 when a band of brave Greeks rose in revolt against their Ottoman oppressors and proclaimed their independence, they ushered in a new era in the history of modern Greece. It is a tribute to the Greek people that after suffering under the Ottoman Turks for nearly 400 years, they succeeded in keeping alive the ideas of liberty and freedom, ideas which their illustrious ancestors of pre-Christian age had prized as the highest and noblest possession of freemen. The independence proclaimed in 1821 was not achieved easily; it was attained by bravery of dauntless Greeks with the financial aid and moral support of their friends abroad. Finally some 7 years later Greece was welcomed into the family of nations as an independent and sovereign state.

Since then Greece has had more than its share of misfortunes and miseries, especially during the two world wars. Nevertheless, its people have, by courage and sacrifice, and with the aid of their sympathetic friends abroad, succeeded in maintaining and even strengthening their national independence.

During the last war and in the early postwar years Greek independence was seriously endangered by aggressive communism. When all of her neighbors in the Balkan Peninsula were ruthlessly victimized by Soviet expansion, Greece remained, and fortunately still remains, as the lone outpost of freedom and independence in the entire Balkan area. The Greek people freely acknowledge that her freedom was saved in a large measure by the aid received under the Truman doctrine. Today Greece is a strategic bastion of the free world against communism. So far the Greeks have been successful in combating all postwar threats.

On this anniversary of Greek Independence Day we wish the Greeks peace and prosperity in their homeland of glory and splendor.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. KITCHIN (at the request of Mr. VINSON) for March 24 through March 28, as a member of the Board of Visitors, United States Naval Academy.

To Mrs. ST. GEORGE (at the request of Mr. ARENDS) for 2 weeks, on account of official business.

To Mr. ALLEN of California, from March 25 to April 3, inclusive, on account of official business and to attend a daughter's wedding.

To Mr. BURDICK for the balance of the week, on account of official business in the District.











MARCH 27, 1958

9. EDUCATION. Sen. Thye urged the Labor and Public Welfare Committee to report on the bills to provide for college scholarships and loan programs in science. p. 4941
10. WATER RESOURCES. Sen. Humphrey inserted an editorial, "Politics and Recession Affect Water Programs," which urged greater water-pollution control loans. p. 4944
11. FREIGHT RATES. Sen. Morse inserted a resolution of the Young Democrats opposing percentage increases in railroad rates by the ICC. p. 4975
12. PRICE SUPPORTS; ACREAGE ALLOTMENTS. Sen. Johnson inserted his letter to the President which conveyed a statement by the Senate majority policy committee (concurrent in by 42 Senators) urging the President to sign S. J. Res. 162, the measure to freeze price supports and acreage allotments at no less than 1957 levels. pp. 4978
13. RECIPROCAL TRADE. Sen. Humphrey inserted the list of organizations participating in the National Conference of Organizations on International Trade, and his speech to the conference supporting extension of the Reciprocal Trade Agreements Act, and adoption of a "trade adjustment" amendment to aid those injured by increased imports. pp. 4978-81
14. UNEMPLOYMENT COMPENSATION. Sen. Kennedy urged enactment of legislation for the extension and supplementation of unemployment compensation payments on a long-term basis. pp. 4983-7
15. LEGISLATIVE PROGRAM. Sen. Johnson announced the Senate would proceed to consider bills on the calendar after disposing of the road bill, including S. 3120, to exempt the production of durum wheat in the Tulalake area, Calif., from acreage allotments and marketing quotas. pp. 4934-5
16. ADJOURNED until Mon., Mar. 31. p. 4987

## ITEMS IN APPENDIX

17. FOREIGN TRADE. Sen. Carlson inserted his address describing the farmer's interest in the export market. p. A2928
- Extension of remarks of Sen. Wiley inserting the program of the Nat'l Conference of Trade Organizations, and his speech citing the need for extension of the trade agreements program and the importance of mutual security.
- Extension of remarks of Rep. Porter stating that "the impact, if any, on the softwood plywood industry of Japanese hardwood plywood imports is so small as to be unnoticeable." pp. A2950-2
18. APPROPRIATIONS. Speech in the House by Rep. Ostertag during debate on H. R. 11574, the independent offices appropriation bill for 1959, regarding the lease-purchase authority. p. A2929
19. FARM PROGRAM. Rep. Gathings inserted a constituents's letter outlining some of the problems of farmers and stating that "our economy begins or ends with the farmer." p. A2938
- Extension of remarks of Sen. Dirksen inserting Earl M. Hughes testimony before the Senate Agriculture and Forestry Committee offering criticisms of the current price support program and suggesting recommendations in the overall farm program. pp. A2943-5



20. DAIRY INDUSTRY. Extension of remarks of Rep. Knox inserting an editorial, "Your Stake In Imports," and stating that it "calls attention to the fact that fat and milk products imported into the United States can cause prices to fall or make our price support program so costly it could collapse." pp. A2952-3
21. PERSONNEL. Rep. Rees inserted a speech commemorating the 75th anniversary of the establishment of career service in the Federal Government. pp. A2962-3
22. BUILDINGS. Extension of remarks of Rep. Cramer criticizing the "failure of the House" to act on S. 2261, to provide for the extension of the lease-purchase program. pp. A2965-6

#### BILLS INTRODUCED

23. LANDS. S. 3569, by Sen. Watkins, to authorize the Secretary of the Interior to exchange certain Federal lands for certain lands owned by the State of Utah; to Interior and Insular Affairs Committee.
24. ELECTRIFICATION. S. 3571, by Sen. Javits, for himself and Sen. Ives, to provide for equal treatment of all State-owned hydroelectric power projects with respect to the taking over of such projects by the U. S.; to Public Works Committee. Remarks of Sen. Javits. p. 4922
25. SMALL BUSINESS. H. R. 11690, by Rep. Jones, Ala., to authorize assistance under the Small Business Act of 1953 to small-business concerns adversely affected by programs under the Soil Bank Act; to Banking and Currency Committee.
26. FOREIGN TRADE. H. R. 11695, by Rep. Mitchell, "to amend the Tariff Act of 1930, as amended"; to Ways and Means Committee.
27. WATER POLLUTION. H. R. 11714, by Rep. Blatnik, to amend the Federal Water Pollution Control Act to increase one of the limitations on grants for construction from \$250,000 to \$500,000; to Public Works Committee.
28. COTTON. H. R. 11715, by Rep. Beckworth, to amend the Agricultural Adjustment Act of 1938, to increase in certain cases the minimum acreage allotment for cotton; to Agriculture Committee.
29. RECLAMATION. H.J.Res. 584, by Rep. Engle, and H.J.Res. 585, by Rep. Gubser/  
Secretary of the Interior to conduct studies and render a report on service to Santa Clara, San Benito, Santa Cruz and Monterey Counties from the Central Valley project, California; to Interior and Insular Affairs Committee. directing

#### PRINTED HEARINGS RECEIVED IN THIS OFFICE

30. APPROPRIATIONS. Dept. of Agriculture, 1959. Part 3, including ACP, AMS, CCC, CSS, REA and SCS; H. Appropriations Committee.  
Part 5, Statements of Members of Congress, Organizations, and interested individuals; H. Appropriations Committee.  
(Copies of these hearings have been distributed to the budget officers of the various agencies of the Department, pursuant to a distribution list that was prepared in cooperation with the agencies. Copies are not available from the Division of Legislative Reporting. A small reserve supply, to meet emergency needs, is available in the Division of Estimates and Allotments, Ext. 5901.)  
Labor-HEW for 1959, Statements of members of Congress and interested individuals. H. Appropriations Committee.



It was to express this idea further that the prophet of Islam said: "All humanity is like a single body. When a part of the body is afflicted, all other parts—no matter how remotely removed—are likewise afflicted and share in the discomfort."

These principles of universal brotherhood propounded by Islam could be applied to modern society without any consideration for race, religion, or political beliefs. In reality, many of the accepted principles of modern administration and friendly political relations between the countries of the world are applications of Islamic principles. The ousting of war as a tool of national policy has been an Islamic principle initiated 13 centuries ago. The democracy of Islam outlaws all racial, religious, and other baneful prejudices. Islam categorically rejects the theory of the supremacy of one race over another. It rejects the false pretensions of the so-called master race of the chosen people. The manner in which the first four successors to the prophet were chosen is an example of democracy in action; namely, election to the rulers, rulers who are responsible to the people they rule and who obtain their powers from those under their administration through the free consent of the people.

To this, Islam gives a deep spiritual significance. It promotes human brotherhood to a higher level and unites humanity into a single community with one goal; namely, the worship of God through rendering service to man. Mere brotherhood is not considered enough. Let me explain this through a Persian story:

It is said that a man approached a wise man and said to him, "Sir, which is better—a brother or a friend?" and the wise man said, "It is better that the brother should also be a friend."

#### BROTHERHOOD AND WORLD PEACE

(Address by Mr. U Win, Ambassador of Burma, before the Kiwanis Clubs of the District of Columbia and area, February 27, 1958)

It is a pleasure and privilege to participate in your celebration for Brotherhood Week and I thank the directors and officers of the Georgetown Kiwanis Club for the kind invitation extended to me.

In this world there is enough money and material and there is no lack of intellect. Yet something is lacking. What is it? The answer is the spirit of brotherhood—the spirit of fellowship. This lack of the spirit of brotherhood and fellowship is the major cause of war. Apart from military conflicts, there are many other conflicts such as racial, economic, and even religious conflicts.

In a conflict, each side has its own conceit, but to hide it, both parties have their own nicely written labels such as "New World Order," "Coprospierity in East Asia," and "Civilizing the Backward Peoples." In almost every conflict each side blames the other, both parties claiming that they are right. They use even the names of religion to justify their actions. They will try to persuade God to take their side, but they do not seem to make any attempt to be on God's side. They claim that there is only one God but they forget that if there is only one God, there must be only one family of men. They treat one another not only as strangers but as enemies.

Since the end of the First World War, there have been many organizations called "international." Many authors have written on this subject of internationalism. Idealistic workers, hoping for a better future, have started many international movements. We had the League of Nations, founded in 1920, but it had failed to maintain peace. Why? Because most of these organizations have dealt with mere external and material adjustments. Too much attention has been

paid to the material and too little to the spiritual side of life.

Then a Second World War, which is unparalleled in history for destruction had ended. The world is still in a state of chaos and there is no peace and happiness. Again idealistic workers, lecturers and writers produced books and have restarted international organizations. These organizations will only be successful if the leaders can carry through their plans in a spirit of world fellowship and brotherhood. The peace which we all desire, peace in our hearts, and in our minds, peace between neighbors, and peace amongst nations is no miracle which is God's task to perform. It can only come about as the result of a reconstruction of thought, feeling and action by means of the spirit of fellowship and brotherhood.

In attempting to discover a form of appeal on which to base morality Buddhism does not appeal to any external authority such as a Deity, but to the natural desire of the human heart. Buddhists learn that certain actions such as selfishness, violence and laziness, tend to disorganize society and to cause unhappiness to its members. Buddhism teaches that misery and suffering are not the result of the wrath of God or Gods, but are the consequence of man's ignorance of his own nature and of his surroundings. The chief defect of our economic system is the existence of useless luxury on one side, and unnecessary burdens on the other. The problem is to devise some scheme of protection and distribution which will make human life less burdened on the one side and less full of useless luxury on the other. By this, I do not mean the socialism that takes, but I do mean the socialism that gives. The Buddhist concept of socialism is the socialism of love, which can only bring about realization of world brotherhood.

The real spirit of brotherhood which is lacking in the world today, can be promoted through religion. Religion is an action of the heart, with the view to refining our nature and elevating us in the scale of human beings. Religion is not merely theory, but practice. The heart, like the body, becomes healthy and strong by physical exercise. No doctrine merely held in the minds as an intellectual belief has any driving force. No doctrine is of any value unless and until already applied. Religion is not confined to any one country or to any particular nation or race. It is universal.

The world has found itself as one body, yet the fact of physical unity and economic interdependence, though of no great value, is not by itself sufficient to create a united family. In this we require a human consciousness of community, a sense of personal interrelationship amongst men, the spirit of world brotherhood. To have the spirit of brotherhood, we must realize the oneness of the world, and understand that we are one family.

Life is a mighty wheel in perpetual motion. This wheel contains within it, numberless small wheels, corresponding to the lives of individual men, each of which has a pattern of its own. The great wheel and the small wheels; the whole world and individual men, are intimately and indissolubly linked. The whole human family is so closely knit together that every unit is dependent upon all others for its growth and development. The ideal that is placed before us, is to a mutual service and practical brotherhood. Mutual service is a perpetual call on humanity, for we are bound alike by the bonds of humanity.

Science proves that the fundamental structure of the human mind is uniform in all races. What differences that there are, are due to historical circumstances and stages of development. Without recognition of the oneness of the world for all in all its aspects, spiritual as well as social, eco-

nomic as well as political, there will never be peace. The spirit of world brotherhood is the only logical basis of all true and high civilization and real world peace.

#### A HINDU LOOKS AT BROTHERHOOD

(Address by Mr. G. L. Mehta, Ambassador of India, to the Kiwanis Clubs of the District of Columbia and area, February 27, 1958)

Although religion has many complexions and dialects, it expresses the innermost urge of man for salvation or immortality, it stresses the supremacy of the spirit over matter, it proclaims the eternal verities of truth and peace, it teaches the value of compassion and renunciation. But while we recite verses from Scriptures, and sing hymns, we are apt to forget that these teachings and doctrines have to be translated day by day in practice by ordinary men and women. Unless we seek to practice these principles in our public conduct and private lives, religious doctrines have little significance or value.

Hinduism or the religion of the Hindus has been in its evolution so eclectic and all-embracing that it is not always easy to define. Although the Hindu worship many deities and have elaborate rituals and ceremonies, in its essence Hinduism is inspired by the concept of the oneness of all things, of gods as well as of sentient beings. In Hinduism, religion and philosophy have co-existed, and together they have encompassed some of the most abstruse thought that the human mind has been capable of.

Hinduism has striven to achieve a synthesis of mind and spirit and sought harmony in divergent and dissident elements. This underlying trend has influenced various schools of thought and many religious movements. Sufism, for example, was influenced by this philosophy. One of the renowned sages of the middle ages, Kabir, preached and practiced a religion which tried to combine the spirit of Hinduism and Islam. And the great Muslim Emperor, Akbar, endeavored to evolve a religion in which he wanted to combine the best of all—he had also a Christian priest near him. This Din-i-Ilahi, as it was called, was a characteristic example of the climate of India.

It is this fundamental concept of unity in diversity that leads the Hindu to believe that God is one but men follow different routes to reach Him. An ancient saying of the Hindus proclaims, "He is one but the sages describe Him differently." The Hindus, therefore, do not insist on conformity between different religions. Every man has a right to choose that form of belief and worship which most appeals to him. Hinduism, in this sense, is not a sect but a fellowship of all who accept the law of right and earnestly seek for the truth. Its conception of brotherhood includes not only human beings but all living creatures. The Bhagavad Gita (translated as Song Celestial) says "part of myself is the God within every creature" and a still more ancient sacred book of ours, the Eesha Upanishad, observes: "Of a certainty, the man who can see all creatures in himself, himself in all creatures, knows no sorrow."

From this conception are derived reverence for all life, tolerance, and compassion. I do not mean to suggest that as individuals or as a people we are not intolerant at times. But I do venture to say that the best among us from the ancient rishis to Gandhi have not only preached but sought to practice this virtue of tolerance. The Hindu thinker readily admits points of view other than his own and considers them worthy of attention. A Hindu, if he is true to his principles, believes that every one who is following his own religious convictions, who is following his own Dharma, is treading the right path because no one is superior enough



to show him a better way. All spiritual religions are paths of truth. There is no one uniform standard for the human race; whether one worships in a temple or tabernacle, a church or a mosque or synagogue, provided he does it sincerely and with humility and reverence, there is no reason why other people should try to deflect him from his course. Religion is a matter of conviction, not coercion.

The idea that mankind is one is enshrined in an old Sanskrit saying, "To the enlightened ones, the whole world is a family." India, in many respects, has been like a vast ocean in which many streams of races and religions have flown since times immemorial, and India has had the capacity of absorbing these varied trends, of assimilating them instead of rejecting them. If I may add in parenthesis, even centuries ago, people who were persecuted in other lands because of their religion have come over to India and India gave them refuge. Systems of thought have developed in India trying to harmonize various creeds and distill the essence of religion from the mass of doctrines and the gamut of rituals and ceremonies. The Hindus revere and worship Buddha. Christianity reached India nearly 1,900 years ago and there are over 10 million Christians of various denominations in India going to their churches and following their creeds. There are 45 million Moslems; and Hindus hold sacred not only the mosques and shrines of the Moslems but revere many of their saints as holy men.

It is this heritage of the immanence of the divine, the supremacy of spirit over matter which inspires countless men and women through the ages. May I conclude by reciting an ancient prayer of ours, recited on the banks of the Ganges and the Jumna and which has been used almost daily by millions for more than 3,000 years; for, it is as vital and ennobling today as when first uttered in the dim past.

"Lead me from the unreal to the real.  
Lead me from darkness to light.  
Lead me from death to immortality.  
Peace, peace, peace."

ADDRESS BY DR. EVERETT CLINCHY, PRESIDENT OF WORLD BROTHERHOOD, PRESIDENT OF THE NATIONAL CONFERENCE OF CHRISTIANS AND JEWS

On behalf of world brotherhood, I want to congratulate the Kiwanis Club of Georgetown on the success of this unique and meaningful event in celebration of Brotherhood Week. This occasion—when we have with us their Excellencies, the Ambassadors of India, Iran, and Burma, representing 3 great religions of the East, as well as Rabbi Gerstenfeld, Dr. Latch, and Reverend Hartke, of 3 of the faiths predominating in our Western World—symbolizes the growing yearning of us of all creeds, to know more about our brothers of the human race, and to understand the faiths by which they live.

This is also an occasion for us of the Western World, to be reminded that the concept of the brotherhood of man can be said to have originated in Asia, where it is a basic element in the great living religions. Because of this fact, Moslems, Hindus, and Buddhists in many cities of southeast Asia have shown great interest in creating under their own leadership, committees and chapters of world brotherhood. These committees work with the leaders of their own educational institutions, religious groups, community, youth and business organizations, in developing educational programs to overcome prejudice based on differences in race, religion, and culture. We are very proud of the fact that world brotherhood has as members of its general assembly distinguished leaders of many different countries, religions, groups, and races.

Another reason for which this occasion today seems to me so important is that it is

evidence of a deep and growing concern on the part of businessmen and men of affairs—Kiwanians—for things of the spirit and for the development of real friendship among all members of the great family of man. This is one of the most encouraging signs of our troubled times.

And now I want to bring you a message which one of our cochairmen, Paul-Henri Spaak, has sent us for Brotherhood Week: If one could organize a plebiscite in all the countries of the earth on the following question: "Are you in favor of world brotherhood?" the response would be a unanimous "Yes." How, therefore, can there be any doubt as to the power of an idea which lies so implicit in the heart of every man and woman in the world? Furthermore, if one considers history in its perspective, one perceives that brotherhood has won over to it, peoples and continents formerly hostile or divided. In spite of appearances, the idea is making its way. It will do so all the more quickly, as it becomes apparent to all governments that war is no longer a solution to the problems of this time, and that from now on we must all live together or perish together.

#### BROTHERHOOD LUNCHEON: BENEDICTION, FATHER HARTKE

We give Thee thanks, Almighty God, for these, Thy benefits, which we have received from Thy bounty. Through Christ our Lord, Amen.

FEBRUARY 27, 1958.

#### FARM LEGISLATION—LETTER TO THE PRESIDENT FROM SENATOR JOHNSON OF TEXAS

Mr. JOHNSON of Texas. Mr. President, I wish to read for the RECORD a brief letter I have written to the President, and to have printed in the RECORD in connection therewith a statement by the Senate majority policy committee, concurred in by 42 Members of the Senate. The letter is very brief and reads as follows:

SENATE MAJORITY POLICY COMMITTEE,

March 27, 1958.

Senate Majority Leader LYNDON B. JOHNSON has sent the following letter and enclosure to the President:

MARCH 27, 1958.

The PRESIDENT,

The White House,

Washington, D. C.

MY DEAR MR. PRESIDENT: I am enclosing for your consideration a resolution adopted by the Senate majority policy committee and signed by 41 Members of the Senate majority. I commend it to your attention.

The measure to which it refers represents an effort by Members of both parties in the Congress to maintain the income and purchasing power of our farmers at a time when it is vitally important that we keep our economy at the highest possible level. It is my understanding that the Senate minority policy committee has also urged that the measure be approved.

Sincerely,

LYNDON B. JOHNSON,  
Chairman, Senate Majority Policy Committee.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement by the Senate majority policy committee. The statement or resolution refers to the farm bill, which is now at the White House awaiting the President's action.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SENATE MAJORITY POLICY COMMITTEE,

March 27, 1958.

Whereas net income from farming has fallen from \$14.3 billion in 1952 to \$11.5 billion in 1957; and

Whereas the farmer's share of the consumer's dollar has fallen from 47 percent in 1952 to 40 percent in 1957 during the same period that the consumer price index has risen from 114.6 to 115.4; and

Whereas the drop in farm purchasing power has contributed directly to unemployment in manufacturing industries which depend upon agriculture for a substantial share of the market

Therefore, the Senate Majority Policy Committee respectfully urges the President to sign into law the bill passed by Congress which would prevent use of the powers of government to force farm income down below 1957 levels. We believe that this measure is an act of simple justice and would represent an important weapon in the battle against increasing unemployment.

LYNDON B. JOHNSON, Chairman; MIKE MANSFIELD; THOMAS C. HENNING, JR.; RICHARD B. RUSSELL; ROBERT S. KERR; CARL HAYDEN; THEODORE F. GREEN; JAMES E. MURRAY; LISTER HILL; ALLEN J. ELLENDER; JAMES O. EASTLAND; RUSSELL B. LONG; J. W. FULBRIGHT; JOSEPH S. CLARK; JOHN A. CARROLL; W. KERR SCOTT; JOSEPH C. O'MAHONEY; FRANK CHURCH; ALAN BIBLE; STROM THURMOND; A. S. MIKE MONRONEY; HUBERT H. HUMPHREY; JOHN L. MCCLELLAN; JOHN F. KENNEDY; DENNIS CHAVEZ; HENRY M. JACKSON; RICHARD L. NEUBERGER; HERMAN E. TALMADGE; OLIN D. JOHNSTON; WARREN G. MAGNUSON; WILLIAM PROXMIRE; PAUL H. DOUGLAS; RALPH YARBOROUGH; JOHN SPARKMAN; SAM J. ERVIN, JR.; STUART SYMINGTON; WAYNE MORSE; ESTES KEFAUVER; PAT McNAMARA; JOHN STENNIS; GEORGE SMATHERS; ALBERT GORE.

#### ORDER FOR ADJOURNMENT TO MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations today, it stand in adjournment until Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### RECIPROCAL TRADE

Mr. HUMPHREY. Mr. President, today at the Sheraton Park Hotel in Washington, D. C., there is being held the National Conference of Organizations on International Trade. The theme of the conference is Reciprocal Trade: The 1958 Imperatives.

More than 125 national and local organizations from every section of the United States are participating in the conference.

Representing industry, labor, agriculture, commerce, consumers, civic groups, religious life, our two major political parties, and all other phases of American life, the memberships of these organizations comprise the majority of the voting citizens of the United States.

As individuals and as organizations, the conference participants may disagree on many other issues. It is significant, however, that they are in agreement in support of an extension of the Trade Agreements Act, which is before Congress at this time.











# Digest of CONGRESSIONAL PROCEEDINGS

## OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued April 1, 1958  
For actions of March 31, 1958  
85th-2d, No. 52

### CONTENTS

Accounting.....	27		
Acreage allotments.....	1		
Acreage reserve.....	43		
Administrative procedure.....	38		
Animal disease.....	43		
Appropriations.....	1,17,35,43,44		
Budgeting.....	14		
Buildings.....	29		
Chicory imports.....	4		
Conservation.....	36		
Conservation reserve.....	12		
Dairy products.....	48		
Durum wheat.....	2		
Economic condition.....	5		
Electrification.....	6,33		
Expenditures.....	28		
Farm labor.....	17,42		
Farm program.....	1,31,48		
Federal aid.....	25		
Flood control.....	18		
Foreign aid.....	30		
Foreign trade.....	24,32,39,45		
Forest fires.....	43		
Grading and classing.....	43		
Grain.....	47		
Housing.....	42		
Information.....	38		
International organizations.....	13		
Life insurance.....	20		
Loans.....	21		
Mexican farm labor.....	17		
Milk sanitation.....	11		
Parity prices.....	10,37		
Patents.....	7		
Pear decline.....	43		
Personnel.....	19,20		
Price supports.....	1,10,48		
Public works.....	18		
Reciprocal trade.....	8		
Reclamation.....	3,46		
Reports.....	26		
Research.....	9,15		
Retirement.....	19		
Rice.....	48		
Roads.....	23,40		
Soil bank.....	12,41,43,44		
Surplus commodities.....	34,43		
Textiles.....	16		
Water.....	15		
Watersheds.....	22		
Wheat.....	2,48		

HIGHLIGHTS: See page 6.

### SENATE

1. FARM PROGRAM. Received the President's veto message on S. J. Res. 162, to freeze price supports and acreage allotments at 1957 levels (S. Doc. 85). pp. 5125-26

Several Senators criticized, and others defended, the President's veto of the measure. (pp. 5126-29, 5133, 5140-43, 5167) Sen. Ellender stated that an effort would be made to override the veto after Congress returns from the Easter recess. (p. 5127)

Sen. Dirksen inserted the text of the Secretary's testimony Mar. 31, 1958, before the Senate Subcommittee on Agricultural Appropriations. pp. 5157-62

Sen. Thyne inserted a letter from a farmer to the Secretary discussing the farm situation, and urging "some definite and permanent solution." pp. 5109-10

Sen. McNamara inserted a telegram from the Mich. State Administrative Board urging the President to approve S. J. Res. 162. pp. 5094-95

2. DURUM WHEAT. Passed with amendment S. 3120, to provide increases in durum wheat allotments for 1958 and 1959 in the Tulalake area, Modoc and Siskiyou Counties, Calif. Agreed to an amendment by Sen. Young to require that the increase in allotments be limited to only class II, durum wheat. pp. 5168-69

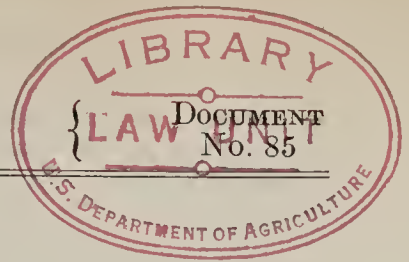


3. RECLAMATION. Agreed to S. Con. Res. 75, requesting the President to return enrolled bill S. 2120, to authorize the construction and operation of the lower Rio Grande rehabilitation project, Tex., Mercedes Division, in order that a correction may be made in the bill. (p. 5107 The House concurred in the resolution. (P. 5223)  
Received a Mass. General Court resolution urging the enactment of legislation to expand the use of artificial irrigation. p. 5092
4. CHICORY IMPORTS. Passed as reported H. R. 5005, to suspend for 2 years the duty on crude chicory, except endive, and to provide for a new rate of 2 cents per pound on ground or prepared chicory for the temporary 2-year period. pp. 5155-56
5. ECONOMIC CONDITIONS. Several Senators discussed and inserted material relating to current economic conditions. pp. 5101, 5113-14, 5115-16, 5136-40
6. ELECTRIFICATION. Sen. Humphrey inserted a co-op resolution "favoring the financial policies which have been practical during the past 20 years of REA." p. 5094
7. PATENTS. Sen. O'Mahoney submitted from the Judiciary Committee a report, "Patents, Trademarks, and Copyrights," together with individual views of Sen. Wiley (S. Rept. 1430). p. 5095
8. RECIPROCAL TRADE. Sen. Smith, N. J., inserted the speeches of President Eisenhower and Adlai Stevenson, Mar. 27, before the National Conference on International Trade Policy in Wash., D. C. pp. 5103-07
9. RESEARCH. Sen. Wiley commended, and inserted a message from HEW Secretary Folsom commending research work at the Univ. of Wisc., including research in the field of agriculture. pp. 5134-36
10. PARITY PRICES. Sen. Humphrey inserted a local Farmers Union resolution opposing lower price-support levels, and urging the restoration of "Farm prices to a full parity level." p. 5093
11. MILK SANITATION. Sen. Humphrey inserted a Minn. Farm Bureau Dairy Committee letter urging "passage of a National Milk Sanitation Act which will set up Federal grades for milk that will allow milk, meeting Federal standards, to move interstate." p. 5093
12. CONSERVATION RESERVE. Received from this Department the annual report on the Conservation Reserve Program of the Soil Bank. p. 5092
13. INTERNATIONAL ORGANIZATION. Received from the State Department a report on the extent and disposition of U. S. contributions to International Organizations. p. 5092
14. BUDGETING. Received a Calif. Legislature resolution favoring enactment "into law H. R. 8002 placing Federal budgeting on an annual accrued expenditures basis." p. 5093
15. WATER CONVERSION. Received a Calif. Legislature resolution favoring "the necessary steps to make southern California the site of the proposed \$10 million sea-water conversion test plant." p. 5092



85TH CONGRESS }  
2d Session }

SENATE



## TO STAY TEMPORARILY REDUCTIONS IN PRICE SUPPORTS—VETO MESSAGE

### MESSAGE

FROM

## THE PRESIDENT OF THE UNITED STATES

RETURNING

WITHOUT APPROVAL THE JOINT RESOLUTION (S. J. RES. 162) TO  
STAY TEMPORARILY ANY REDUCTION IN SUPPORT PRICES OR  
ACREAGE ALLOTMENTS

MARCH 31, 1958.—Read; ordered to lie on the table and to be printed

### *To the Senate:*

I return herewith, without my approval, Senate Joint Resolution 162. I have given earnest consideration to the many representations made to me both for and against it. It is my judgment that to approve this resolution would be ill-advised, from the standpoint both of the Nation and of our farm families as well. It is regrettable that for the second time in 2 years the Congress has sent me a farm bill which I cannot in good conscience approve.

Specifically, the resolution would have such consequences as these:

1. It would pile up more farm products in Government warehouses.
2. It would restrict the growth of markets.
3. It would postpone the day when agriculture can be released from the straitjacket of controls.
4. It would bypass the problems of the small operator who produces so little for sale that price supports have scant meaning.
5. It would hold up the needed transition to modern parity and would in fact disregard the parity principle.
6. It would be unfair to those winter wheat growers who signed up under the 1958 acreage-reserve program with the understanding that the price supports which had then been announced would be the effective rates.



This resolution would fix farm-price supports and farm-acreage allotments at not less than existing levels. The true need is to relate both price supports and acreage allotments to growing market opportunities.

With regard to Government controls, what the farm economy needs is a thaw rather than a freeze.

Improvements have been made in farm legislation in recent years. The keys to these improvements have been expansion of markets and greater opportunity for our farm people to exercise their own sound judgment.

Fears were expressed by some that farm prices might collapse when high rigid price supports were abandoned. These fears did not materialize. Instead, farm prices rose. This month the index of prices received by farmers is 9 percent above the level that prevailed in June of 1955, when high rigid price supports were last generally in effect. The parity ratio now stands at 87, up 6 points from a year ago.

Most of agriculture is without production controls and without price support. This is generally true of meat animals, poultry, and fruits and vegetables.

There is impressive evidence that farmers stand to profit from less rather than more governmental intervention. Unsupported prices of cattle and hogs are unusually strong.

Despite these bright spots, many farm problems remain to be solved. The price-cost squeeze continues to harass our farm people. Production restrictions impose a severe burden. Many of our farmers—those on farms not large enough to be profitable—are earning incomes which are below any generally accepted standards.

Cotton, wheat, corn, and other basic crops have major problems. Progress in solving the problems of these crops cannot be made by going backward. We must continue in the direction which the Congress set in 1954 and endorsed in 1956—changes in the direction of greater opportunity for adjustments made necessary by our ever-changing agriculture.

I said, prior to the passage of this resolution, that what it proposed would be a turn of 180° in the wrong direction. After reviewing the resolution in its final form, I adhere to this conviction.

For the 1957 crop, prices were supported, product by product, in accordance with a complex set of legislative and administrative considerations. The same was true in the establishment of acreage allotments. To carry these forward unaltered, despite changes in demand, in supply, and in surplus stocks, would be contrary to sound legislative procedures and would completely disregard economic fact.

Now I want to turn to the progress that has been made through programs already in effect. In recent years a many-sided attack on farm problems has been launched. Substantial gains have been achieved—

Through the rural development program to help those at the low end of the income scale.

Through market-making exports which last year reached an all-time high.

Through providing needed credit to family farms.

Through sharing our abundance with the needy at home and abroad.



Through market development in cooperation with producer organizations and the food trade.

Through surplus reduction, which has cut down our stocks by more than a billion dollars.

Through stepped-up research to find new uses for farm products.

Through special programs to increase milk consumption.

Through expanded long-range conservation measures.

While it is necessary to reject the freeze embodied in this resolution, the Congress and the executive branch can be helpful in other ways.

A five-point program should be undertaken, involving various separate but related actions. Some of these are the responsibility of the Congress and some are administrative. Some call for legislation, while ample authority already exists for others.

1. The old basic law should be revised. On January 16, 1958, I sent to the Congress a special message on agriculture, which recommended needed changes. Many of the problems will be alleviated if the Congress will act on these proposals in this session:

Authority to increase acreage allotments up to 50 percent, and to widen the range within which price supports may be provided.

Elimination of acreage allotments for corn, permitting all corn farmers to plant in accordance with their best management decisions, so that price supports would apply to all corn rather than, as the freeze bill would have it, to only about 1 acre in 7 in the commercial corn area.

Abolishment of escalator clauses in the law because these rigid provisions keep farm people continually under the shadow of price-depressing surpluses.

Extension of the Agricultural Trade Development and Assistance Act, with substantial increased authority to move surplus stocks abroad.

Shifting the price supports for cotton to the average of the crop, the same as for all other farm products.

There is opportunity to make these needed changes before fall seeding time if the matter is undertaken promptly.

2. When these necessary legislative changes have been made, 1959 acreage allotments will be established at levels as high or higher than those prevailing in 1958. Certain statutory provisions which place a floor under acreage allotments for cotton and rice are scheduled to expire after the 1958 crop. Producers face sharp acreage reductions unless the law is changed. When the Secretary of Agriculture has been given the necessary authority to adjust price supports and acreage allotments he will set 1959 allotments at levels at least as high as those in use this year. For cotton and rice these allotments will be substantially above the levels which would otherwise prevail.

3. When necessary new authorization is provided in keeping with my legislative recommendations, the special export programs for our surplus crops will be enlarged. Opportunities exist to export, both for dollars and through special programs, large quantities of our staple commodities.

Wheat is becoming better known to consumers abroad. Market development and promotional activities have made more people acquainted with the merits of our many export products. These commodities can alleviate hunger and need, and should be so used.



4. Dairy products acquired under the price-support operation will be used outside the regular domestic commercial market. These products will not be offered for sale in such markets during the remainder of 1958 at less than 90 percent of parity. While freezing supports would not be a useful step, we seek to help the dairy industry in other ways.

To strengthen markets, the butter, cheese, and dry milk acquired under price support will be donated to the school-lunch program, to charitable institutions and to needy persons. Exports will be made when this can appropriately be done.

Such inventory management will serve to bolster the market.

Meanwhile, the administration will continue to support the special school milk and armed services milk programs. We will also support as a further aid to dairy farmers, the accelerated brucellosis control program. Stepped up promotional activity will increase consumption.

Every constructive step available to us will be taken to increase the use of our wholesome dairy products.

5. An export program for cotton, corn, and other feed grains, similar to the present export program on wheat, will be put into effect. This can be done without legislation. The effect of this program will be to move these products directly from commercial markets to the export trade without running them through the Commodity Credit Corporation. Under the wheat-export program farmers have obtained broader markets and substantial price benefits in the marketplace. Marketing efficiency has been promoted and the amount of wheat which has moved into Government channels has been reduced. The new program for cotton and feed grains is expected to have similar effects.

To meet the rapidly changing conditions in agriculture, farmers must be able to make their own management decisions on their own farms. They must not have their production and prices frozen in an outmoded pattern. They must not be made the captives of a restricted history; they must be given freedom to build a brighter future. This can be done if farmers and those who serve them will team up in support of sound legislative and administrative action.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *March 31, 1958.*



S. J. Res. 162

EIGHTY-FIFTH CONGRESS OF THE UNITED STATES OF AMERICA, AT THE SECOND SESSION, BEGUN AND HELD AT THE CITY OF WASHINGTON ON TUESDAY, THE SEVENTH DAY OF JANUARY, ONE THOUSAND NINE HUNDRED AND FIFTY-EIGHT

JOINT RESOLUTION, To stay temporarily any reduction in support prices or acreage allotments

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That in order to prevent reductions in support prices or acreage allotments prior to consideration by Congress of such changes in the price support and acreage allotment laws as may be necessary at this time—

(1) the support price (in terms of dollars and cents) for any agricultural commodity, except tobacco, shall not be less than that available for such commodity during the marketing year or season which began in 1957; and

(2) the total acreage allotted for any agricultural commodity, except tobacco, shall not be less than that allotted for the 1957 crop of such commodity, and sections 302, 303, and 304 of the Agricultural Act of 1956 (relating to minimum National, State, and farm acreage allotments for 1957 and 1958) shall be extended to apply to each crop of upland cotton and rice, respectively, to which this resolution is applicable.

This resolution shall be effective, with respect to price supports, only for the marketing year or season which begins in 1958 and, with respect to acreage allotments, through 1959 crops. Nothing in this resolution shall be construed to repeal or modify any law enacted in the second session of the Eighty-fifth Congress or to require price support to be made available if marketing quotas have been disapproved by producers, or to noncooperators in the case of any basic agricultural commodity.

SAM RAYBURN,  
*Speaker of the House of Representatives.*  
CARL HAYDEN,  
*President of the Senate pro tempore.*

[Endorsement on back of bill:]

I certify that this Joint Resolution originated in the Senate.

FELTON M. JOHNSTON, *Secretary.*

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3. Loans are made on mortgages, improved real estate, and pledged savings-share accounts.

4. Loans require comprehensive insurance against risks of loss or damage.

5. Loans require only small monthly repayments. No commission and no minimum expense are required.

6. Interest is charged only on the actual balance of the loan each month.

7. Payments are due monthly without notice.

8. The association must be notified promptly of any change in address.

9. Your pass book should always accompany payments or withdrawals whether made in person or by mail.

A State-chartered institution, our association achieves maximum security through prudent management and comprehensive insurance against risks of loss or damage. Our savings-share accounts are insured commercially to \$10,000.

THE FAMILY SAVINGS AND HOME LOAN ASSOCIATION, INC.

Offices: 640 Frederick Road, Baltimore, Md.; 16 North Liberty Street, Cumberland, Md.; 127 North Street, Elkton, Md.; 27 North Court Street, Frederick, Md.; 6 East Washington Street, Hagerstown, Md.; 8431 Georgia Avenue, Silver Spring, Md.; 4653 Huron Avenue, Suitland, Md.

[From the New York Times, of March 21, 1958]

#### PUBLIC IS CAUTIONED ON SAVINGS CLAIMS

The Better Business Bureau of New York City cautioned the public yesterday against putting funds in out-of-State savings and loan associations that advertise higher-than-usual dividend rates and represent their accounts as commercially insured to \$10,000.

In Washington Representative ABRAHAM J. MULTER, Democrat of Brooklyn, said an amendment would be offered to the pending Financial Institutions Act to compel such savings and loan associations to disclose fully the nature of such claims in their advertising.

Hugh R. Jackson, president of the Better Business Bureau, said that savers in about 3,700 recognized savings and loan associations throughout the country had insurance coverage on savings accounts up to \$10,000 through the Federal Savings and Loan Insurance Corporation, a Federal Government instrumentality. Commercially insured savings and loan associations, he said, do not have this insurance.

Some Utah, Maryland, and Arizona savings and loan associations, a bureau spokesman said, have advertised commercially insured accounts, adding that companies insuring some of these accounts have been based in Tangiers and Morocco.

#### STAY IN REDUCTION OF SUPPORT PRICES—VETO MESSAGE (S. DOC. NO. 85)

Mr. MANSFIELD. Mr. President, I ask that the veto message of the President on Senate Joint Resolution 162 be laid before the Senate.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair) laid before the Senate the following message from the President of the United States, which was read and, with the accompanying joint resolution, was ordered to lie on the table and to be printed:

#### To the Senate:

I return herewith, without my approval, Senate Joint Resolution 162. I have given earnest consideration to the many representations made to me both for and against it. It is my judgment

that to approve this resolution would be ill advised, from the standpoint both of the Nation and of our farm families as well. It is regrettable that for the second time in 2 years the Congress has sent me a farm bill which I cannot in good conscience approve.

Specifically, the resolution would have such consequences as these:

First. It would pile up more farm products in Government warehouses.

Second. It would restrict the growth of markets.

Third. It would postpone the day when agriculture can be released from the straitjacket of controls.

Fourth. It would bypass the problems of the small operator who produces so little for sale that price supports have scant meaning.

Fifth. It would hold up the needed transition to modern parity and would in fact disregard the parity principle.

Sixth. It would be unfair to those winter-wheat growers who signed up under the 1958 acreage-reserve program with the understanding that the price supports which had then been announced would be the effective rates.

This resolution would fix farm price supports and farm acreage allotments at not less than existing levels. The true need is to relate both price supports and acreage allotments to growing market opportunities.

With regard to Government controls, what the farm economy needs is a thaw rather than a freeze.

Improvements have been made in farm legislation in recent years. The keys to these improvements have been expansion of markets and greater opportunity for our farm people to exercise their own sound judgment.

Fears were expressed by some that farm prices might collapse when high rigid price supports were abandoned. These fears did not materialize. Instead, farm prices rose. This month the index of prices received by farmers is 9 percent above the level that prevailed in June of 1955 when high rigid price supports were last generally in effect. The parity ratio now stands at 87, up 6 points from a year ago.

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There is impressive evidence that farmers stand to profit from less rather than more governmental intervention. Unsupported prices of cattle and hogs are unusually strong.

Despite these bright spots, many farm problems remain to be solved. The price-cost squeeze continues to harass our farm people. Production restrictions impose a severe burden. Many of our farmers—those on farms not large enough to be profitable—are earning incomes which are below any generally accepted standard.

Cotton, wheat, corn, and other basic crops have major problems. Progress in solving the problems of these crops cannot be made by going backward. We must continue in the direction which the Congress set in 1954 and endorsed in 1956—changes in the direction of greater

opportunity for adjustments made necessary by our ever-changing agriculture.

I said, prior to the passage of this resolution, that what it proposed would be a turn of 180° in the wrong direction. After reviewing the resolution in its final form, I adhere to this conviction.

For the 1957 crop, prices were supported, product by product, in accordance with a complex set of legislative and administrative considerations. The same was true in the establishment of acreage allotments. To carry these forward unaltered, despite changes in demand, in supply, and in surplus stocks would be contrary to sound legislative procedures and would completely disregard economic fact.

Now, I want to turn to the progress that has been made through programs already in effect. In recent years a many-sided attack on farm problems has been launched. Substantial gains have been achieved:

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Through special programs to increase milk consumption.

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While it is necessary to reject the freeze embodied in this resolution, the Congress and the executive branch can be helpful in other ways.

A five-point program should be undertaken, involving various separate but related actions. Some of these are the responsibility of the Congress and some are administrative. Some call for legislation, while ample authority already exists for others.

1. The old basic law should be revised. On January 16, 1958, I sent to the Congress a special message on agriculture which recommended needed changes. Many of the problems will be alleviated if the Congress will act on these proposals in this session:

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Elimination of acreage allotments for corn, permitting all corn farmers to plant in accordance with their best management decisions, so that price supports would apply to all corn rather than, as the freeze bill would have it, to only about 1 acre in 7 in the commercial corn area.

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2. When these necessary legislative changes have been made, 1959 acreage allotments will be established at levels as high or higher than those prevailing in 1958. Certain statutory provisions which place a floor under acreage allotments for cotton and rice are scheduled to expire after the 1958 crop. Producers face sharp acreage reductions unless the law is changed. When the Secretary of Agriculture has been given the necessary authority to adjust price supports and acreage allotments he will set 1959 allotments at levels at least as high as those in use this year. For cotton and rice these allotments will be substantially above the levels which would otherwise prevail.

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Wheat is becoming better known to consumers abroad. Market development and promotional activities have made more people acquainted with the merits of our many export products. These commodities can alleviate hunger and need, and should be so used.

4. Dairy products acquired under the price-support operation will be used outside the regular domestic commercial market. These products will not be offered for sale in such markets during the remainder of 1958 at less than 90 percent of parity. While freezing supports would not be a useful step, we seek to help the dairy industry in other ways.

To strengthen markets, the butter, cheese, and dry milk acquired under price support will be donated to the school-lunch program, to charitable institutions, and to needy persons. Exports will be made when this can appropriately be done.

Such inventory management will serve to bolster the market.

Meanwhile, the administration will continue to support the special school milk and armed services milk programs. We will also support as a further aid to dairy farmers, the accelerated brucellosis control program. Stepped up promotional activity will increase consumption.

Every constructive step available to us will be taken to increase the use of our wholesome dairy products.

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export trade without running them through the Commodity Credit Corporation. Under the wheat-export program farmers have obtained broader markets and substantial price benefits in the market place. Marketing efficiency has been promoted and the amount of wheat which has moved into Government channels has been reduced. The new program for cotton and feed grains is expected to have similar effects.

To meet the rapidly changing conditions in agriculture, farmers must be able to make their own management decisions on their own farms. They must not have their production and prices frozen in an outmoded pattern. They must not be made the captives of a restricted history; they must be given freedom to build a brighter future. This can be done if farmers and those who serve them will team up in support of sound legislative and administrative action.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, March 31, 1958.

Mr. ELLENDER. Mr. President, I cannot say that I am very much surprised at the veto message which has just been submitted to the Senate, although I had hoped the President would sign this very mild joint resolution.

The hard facts are that our country is in the midst of a recession. Business, industry, and labor are today feeling the impact of an economic distress which has stalked our agriculture for the past 4 or 5 years.

The resolution which the President has seen fit to veto was reported by the Senate Committee on Agriculture and Forestry solely and simply because we believe it offered a mild form of relief to our farmers who have already suffered disastrous declines in their incomes.

I note in his veto message that the President takes the position that because farm prices rose slightly during the past month, the outlook for future farm income is bright. I would remind the President that the slight rise to which he has referred was due first and foremost to weather conditions. For example, an analysis of the price rise indicates that strawberries accounted for 15 percent of the increase; Irish potatoes, 20 percent; and eggs, 12 percent. In other words, price increases for these 3 commodities—strawberries, potatoes, and eggs—made up 47 percent of the entire rise in the parity ratio. These commodities, however, make up less than 10 percent of total cash receipts from farm marketings. Of course, the reason for higher prices for these three commodities is the shortage in supply. In the case of strawberries, these prices are for the new crop which is just beginning to come in, while in the case of potatoes, the fact that storage stocks are down 20 percent below March 1 figures coupled with weather damage to the new crop of potatoes is responsible. The increase in egg prices was caused by generally unfavorable weather conditions in Northern and Eastern States.

Increase in the prices of meat animals accounted for 28 percent of the total

increase in parity ratio. The fact is that slaughter at federally inspected plants of cattle during this period decreased 19 percent; slaughter of calves dropped 4 percent; hogs, 16 percent; and sheep, 14 percent. These figures show the principal reason for the increase in prices of meat animals. Meat animals account for about 29 percent of total cash income from farm marketings.

The facts available indicate that price rises reported in this latest release are the result of shortages of supplies, and not the result of expanded markets for these commodities.

In addition, it is inconceivable to me that any action directed towards lowering of price supports in any way could be based on increased prices occurring in only 1 month under the stress of unusual shortages of supplies.

Even a hasty reading of the President's veto message shows that the administration has definitely made up its mind to beat down farm prices even below the levels of this year, but above and beyond that is the fact that the President has done again almost the same thing he did in 1956.

Senators will recall that in 1956, Congress passed and sent to the White House, a stop-gap farm bill which would have supported farm prices for the basic commodities at 90 percent of parity for 1 year only. The President vetoed this act, and in his veto message made much of the fact that the legislation involved an abandonment of the administration's flexible price-support program. Yet, in almost the same breath, he, himself, abandoned the sliding scale, and in an unprecedented move announced an arbitrary high-level price support for the basics—a rigid price support—a 1-year price support, and—I might add—an election year price support.

In this veto message, the President has, in a sense, done almost the same thing.

He has vetoed the bill which froze acreage allotments for 1959 at the 1957 levels. At the same time, he has held out a "carrot" to Congress and said that if we give Mr. Benson the authority he wants to fix support levels at between 60 and 90 percent of parity, he, the President, will see that, and I quote:

Nineteen fifty-nine acreage allotments will be established at levels as high or higher than those prevailing in 1958.

In other words, Mr. President, if Congress freezes acreage, it is terrible, but if the administration freezes acreage, it is constructive.

Now, Mr. President, as to price supports, the Chief Executive almost ignores these. He speaks in glittering generalities of the prosperity farmers will enjoy if only Congress makes it possible for price supports to be further lowered. Therefore, Mr. President, we can only assume that the President wants lower prices.

Now, let us take him at his own word. Let us assume that he gets what he wants. He has promised to give farmers at least the same acreage in 1959 as they had in 1958. Yet, he also says that price supports should be reduced.



Given the same acreage and a lowered price support, it is obvious that farm income will be further reduced. Therefore, I am drawn inevitably to the sad conclusion that this administration doesn't want to bolster farm prices—that it wants only to see farm prices further depressed.

The President said in his veto message that the price of meat animals, for example, has remained reasonably stable and that since the price of meat is not supported, the experience of the livestock industry offers support for his position that price supports depress, rather than assist, farm income. The President should know that the price of grain is supported. This factor alone has its stabilizing mark on the meat industry. In addition, the price of meat is receiving support under the program of Government purchases. As the record will show, when the price of pork or beef, for example, sag, the Department of Agriculture undertakes direct purchases in order to bolster the price of meat.

In addition, as I have already stated, cattle marketings are much lighter this year due to the fact that ranchers are now restocking depleted herds—herds that were previously liquidated because of weather conditions. Now with the end of drought conditions along the Great Western Plains, the grass is beginning to grow again, and ranchers are once more able to use lands which lately were unusable. This is another good reason why the price of meat products has been firm—there has been a scarcity of good beef.

There are two other points in the veto message which are of great importance. The first is the contention that lower farm prices mean lower consumer prices. This is not so. The record demonstrates that even while farm prices have been declining, food prices have been soaring to an alltime high. The share of the consumer's dollar received by farmers for a representative number of food items has been declining from around 51 cents in 1948 to 40 cents today.

The second point is somewhat more difficult to explain, and evidently the President either did not receive an explanation, or saw fit to ignore it. I refer to the fact that the bill he has vetoed has been described as a "freeze." The bill was not a freeze, in the sense that it froze price supports and acreage at 1957 levels. It merely provided that price supports and acreage could not drop below 1957 levels. In other words, all the bill did was place a floor beneath price supports and acreage.

I am most hopeful, Mr. President, that over the Easter recess, while Members of the Senate and the other body are at home, their constituents will discuss with them the President's action. I am sure that if this is done, it will be possible to override the President's veto. At any rate, I think the effort should be made.

The President is wrong; the Congress is right.

At this time, Mr. President, I ask unanimous consent that a memorandum I have prepared, dealing with the President's veto message, be incorporated in the RECORD at this point.

There being no objection, the memorandum referred to was ordered to be printed in the RECORD, as follows:

#### MEMORANDUM

Today the President returned Senate Joint Resolution 162 to the Senate with a veto. He states that the resolution had many unfavorable points which compelled him to exercise his veto.

Specifically he stated that:

1. It would pile up more farm products in Government warehouses. My comment is that this short-term legislation could not possibly have had any direct effect on increasing the amount of products that the Government would have to purchase. In the case of dairy products, the Department of Agriculture, in its Dairy Situation release of February 1958, indicated that even with lower price supports production would increase. Therefore, Senate Joint Resolution 162 would have no impact here. Further, other than seasonal changes, there will be no reduction in the price of milk at retail.

In the case of wheat the outlook for total planting as of March 18 was estimated by the Department of Agriculture at 56.5 million acres or 6.6 million acres more than that seeded for last year's harvest, and production was estimated at 1,077 million bushels or 130 million bushels over last year. Price supports for wheat at the lower level were announced last year.

2. The President says that slightly higher prices will restrict the growth of markets. Everybody knows that the demand for farm products is inelastic and that increased consumption will come only as a result of a greater than proportionate reduction in prices. By reducing the price of wheat 22 cents a bushel, it will result in little, if any, increase in consumption of wheat, and I say here and now that there will be no reduction in the retail price of bread or other wheat products.

3. The President states that agriculture is now in straitjacket controls. Of course we have controls. These are primarily acreage controls, and while acreage restrictions have been cumbersome in some instances, they were necessary if prices were to be supported. Furthermore, a reduction in prices as suggested by the President will not remove acreage controls.

4. I do not agree that price supports for small operators have scant meaning. These price supports have many times been the difference between starvation and continued existence for small operators.

5. Of course, transition to modern parity would have been held up but this would have been only for 1 year at the most.

6. While it is true that winter wheat growers, who signed up under the 1958 acreage reserve program, did so with the understanding that price supports would be at \$1.78, it was also true that these winter wheat producers would have benefited in the marketing of their crop by the increase in price supports.

7. It is true that agricultural programs need revising, but less of the same program is not the answer, and a 1-year freeze in price supports and acreage allotments would have little effect on the long-time outlook for agriculture. The President states that the farm economy needs a thaw rather than a freeze. What he means is that farm prices should be lower than they presently are and that farmers should be satisfied with sustenance living while all sorts of devices are being advocated to bolster the national economy.

8. The President states that improvements in farm legislation have occurred and have resulted in expansion of markets and greater opportunity for farm people to exercise their own sound judgment. He should know that the expansion of markets has been the result of expanded exports at prices

which have been lower than domestic prices. And, in my humble judgment, farm people have always exercised their own sound judgment.

9. The President emphasizes the fact that farm prices are higher today than they were last month or even a year ago. What he did not say was that 47 percent of the increase in the parity ratio this month was due to increased prices for strawberries, potatoes, and eggs, which constitute less than 10 percent of total cash receipts from farm markets. And, as I said before, higher prices were caused by shortages rather than expanded markets.

The President states that one of the biggest problems in farming is the price-cost squeeze which harasses our farm people. To my knowledge neither the President nor the Secretary of Agriculture has ever proposed any method whatsoever of coping with this extremely serious problem. Their only recommendation has been to lower farm prices.

10. The President states "that a five-point program should be undertaken." First, the President requests authority to increase acreage allotments up to 50 percent and to widen the range of price supports. What the President really wants is lower price supports and he throws in the sop of increased allotments in order to make it attractive. He knows absolutely and unequivocally that acreage allotments cannot be increased by 50 percent without piling up surpluses such as this country has never known.

Second, he asks for elimination of acreage allotments for corn; third, for abolishment of the escalator clause; fourth, for the extension of Public Law 480; and fifth, a shift in price supports for cotton to the average of the crop. It is the intention of our committee to consider all of these points as well as many others in the farm program which we hope to design within the next 2 months. The Secretary of Agriculture well knows that both Agriculture Committees of Congress are studying the overall farm program. This had nothing to do with Senate Joint Resolution 162.

11. At this point, the President tries to make a deal with Congress. He says that if we make these changes than he will establish acreage allotments as high or higher than those prevailing in 1958. He says to producers, "If you take a lower price, I will let you plant as much in 1959 as you did this year."

12. In the case of dairy products, he says that lower prices are better for farmers and if you take these lower prices, we will help you other ways. We will donate the surplus we take in because of increased production at lower prices to schools, charitable institutions, and to needy persons, and that we will export what we cannot use at home.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Without objection, the message from the President of the United States will lie on the table and will be printed.

Mr. HUMPHREY. Mr. President, I shall not object to having the veto message lying on the table and printed in the RECORD; but I do object to the message.

Mr. JOHNSTON of South Carolina. Mr. President, I wish to let the people of the United States know that I am disappointed and hurt because of the veto by the President of the farm joint resolution.

I believe that if Mr. Benson knew a Jimson weed from a cotton stalk and if he knew some of the other commodities as well as he knows wool at the present time, he would take the same position in regard to the other commodities that he



probably takes in regard to wool and the support of wool prices.

If the President would only leave the golf links long enough to go into the cottonfields and mix and mingle with the farmers there; if he would also mix and mingle a little with the dairymen and would find out firsthand, from them, what the conditions are, and if he would only go to the tobacco farms and would see what the conditions there are, I believe that today he would feel about the way the farmers and the other people of South Carolina feel.

The farmers and the other people of South Carolina are distressed and worried because the cotton gins are closing throughout the cotton regions; I will vouch for that. They are closing in other States, too; I know that, for I have also been there. The crossroads stores also are closing, and there is serious unemployment. In fact, the number of persons unemployed as of today, almost equals the number of persons who have left the farms, so I am informed. Almost 6 million persons have left the farms during this administration, and today approximately 6 million persons are unemployed because they cannot find jobs.

Mr. President, the Legislature of South Carolina is worried about this situation. I hold in my hand two concurrent resolutions, which I send to the desk and ask to have printed in the RECORD.

Mr. President, listen to the first of the concurrent resolutions:

To memorialize the President of the United States and the Congress to set aside the week of March 31 to April 5 as that time when all citizens will be urged to purchase their needs in order to restore the confidence of the American public in their economic development.

The other concurrent resolution reads in part as follows:

To memorialize the Congress of the United States to enact legislation looking to the cancellation of all income taxes for a period of from 3 to 4 months of the next tax year.

These two concurrent resolutions were passed by the House and Senate of the South Carolina Legislature; and I wish to have them printed in the RECORD at the request of myself and the junior Senator from South Carolina [Mr. THURMOND].

There being no objection, the concurrent resolutions were received, appropriately referred, and ordered to be printed in the RECORD, as follows:

To the Committee on the Judiciary:

"Concurrent resolution to memorialize the President of the United States and the Congress to set aside the week of March 31 to April 5 as that time when all citizens will be urged to purchase their needs in order to restore the confidence of the American public in their economic stability

"Whereas the United States is experiencing a business recession which threatens to affect adversely the economic stabilization of the country; and

"Whereas the General Assembly believes that this is an unfortunate state of mind with which the citizens have permitted themselves to become imbued; and

"Whereas the General Assembly believes that the continuing of prosperous business conditions is absolutely certain if the confi-

dence of the public in the soundness of American economy can be restored; and

"Whereas the General Assembly believes that if the President of the United States and the Congress will set aside a week during which the public will be urged to make every reasonable expenditure for necessities of the home and business within their financial means, that the greatest possible stimulus to business will result and the lagging confidence of the American public will be restored: Now, therefore, be it

"Resolved by the Senate (the House of Representatives concurring), That the President of the United States and the Congress be memorialized to set aside the week of March 31 to April 5 as a time when the American public will be urged to purchase all of the necessities commensurate with their financial means in order to stimulate business and restore the confidence of the American public in its economy; be it further

"Resolved, That the President of the United States be memorialized to influence the newspapers and radio commentators against giving adverse publicity to our lagging economy and that they be urged to point out that the only thing that is needed to stem the tide is confidence and the abolition of fear; be it further

"Resolved, That copies of this resolution be forwarded to the President of the United States, to the Clerk of each House in the Congress of the United States, to each United States Senator from South Carolina, and to each Member of the House of Representatives from South Carolina in the Congress of the United States."

To the Committee on Finance:

"Concurrent resolution memorializing the Congress of the United States to enact legislation looking to the cancellation of all income taxes for a period of from 3 to 4 months of the next tax year

"Whereas the United States and the world are experiencing a business recession which threatens to effect adversely the economic stabilization of the entire country; and

"Whereas the general assembly believes that the continuing of prosperous business conditions is absolutely certain if the confidence of the American people can be maintained in the soundness of the business economy; and

"Whereas the general assembly believes that the means to this end are found in the placing of more available cash in the hands of the public with which to purchase the articles offered for sale; and

"Whereas, the general assembly believes that the most efficacious method of accomplishing this end and to place more cash in the hands of the public is by the reducing of taxes; and

"Whereas the general assembly believes that the most direct road to this end is through the cancellation of all income taxes due the Federal Government and scheduled to be withheld by employers for a period of from 3 to 4 months during the next taxable year. Now, therefore, be it

"Resolved by the Senate (the House of Representatives concurring), That the Congress of the United States is hereby memorialized to enact suitable legislation looking to the cancellation of income taxes due the Federal Government for a period of from 3 to 4 months during the next taxable year; be it further

"Resolved, That copies of this resolution be forwarded to the President of the United States, to the Clerks of both Houses of the Congress of the United States, to each United States Senator from South Carolina and to each Member of the House of Representatives in the Congress of the United States from South Carolina."

Mr. PROXMIRE. Mr. President, this is the final day before the cut in dairy

farmers' prices which has been ordered by the Secretary of Agriculture is scheduled to go into effect.

I have in my hand the veto message of the President of the United States.

Mr. President, I am sure the motives of the President are excellent. I have always assumed that to be true. I am sure the President always has been patriotic, and his motives are moral and decent. He is, of course, interested in the welfare of farmers. But the President of the United States is just plain wrong. He is ill advised. He is mistaken.

There are two items, however, which I should like to bring to the attention of the Senate. First, is the fact that all the President really recommends for the long term is the kind of program he previously recommended in the Presidential message delivered to the Senate in January. It is a program which would seek to return price supports to 60 percent of parity. Second, the message has been written in a complete vacuum, without any recognition of the fact that we are in a recession—in an economic slump—which seems to be getting worse instead of better.

I can think of nothing more unwise, Mr. President, than to further slash the purchasing power of farmers at the very time when we are all so tremendously concerned about restoring and increasing purchasing power in order to evade the disaster of a major depression.

Farmers represent a vital segment of our economy—far out of proportion to the number of people actually engaged in farming. Their major expenditures are not for personal consumption, but for production supplies and equipment.

United States agriculture is the largest user of petroleum in the world. American farmers buy 14.8 billion gallons per year—more than any one of the three United States military services. This is more than any other American industry.

American farmers use up more finished steel each year than is required for all the new passenger cars constructed in any year except 1955. The total consumption of steel by American farmers was 6½ million tons in 1957.

American farmers buy enough rubber to put tires on nearly six million cars a year—320 million pounds last year.

American farmers buy 25 billion kilowatt-hours of electricity—more than the combined cities of Chicago, Detroit, Houston, Baltimore, and Boston.

American farmers produce 65 percent of all the raw materials used in the United States. More than one-third of all employment stems from agriculture—on farms, in producing supplies, services, and equipment for farms, and in processing and marketing farm products.

Farmers net incomes have been driven down by 20 percent in the past 5 years. I can think of nothing more senseless and unfair, Mr. President, than to continue the cruel squeeze on our farmers at the very time that we are taking action in many other sectors of our economy to rebuild confidence, restore purchasing power, and expand the buying power of our people.



**A POLITICAL PROMISE TO AMERICAN FARMERS—  
SPOKEN AND BROKEN**

Mr. YARBOROUGH. Mr. President, when the President followed the advice of Agriculture Secretary Ezra Taft Benson and vetoed the measure to freeze crop price supports for just a year it was another blow to the farm families who already are receiving too little for the food they raise. A recent hearing before a House Appropriations Subcommittee showed that of every food dollar the housewife spends, only 40 cents goes to the farmer and 60 cents goes to the middlemen. I certainly have no quarrel with the middlemen for receiving a fair return on their investment. But I question a system where the man who produces the food gets far less for his work and his investment than the man in the middle of the line. Statistics show that the profits of some major chains have increased over 200 percent in the last 5 years, while the farmers' share of the food dollar has declined.

Mr. President, as President Eisenhower made his decision on our bill to hold price supports on farm products at their current level, I regret that he failed to follow his own promise to the farm people. All of us must recall his famous campaign speech to farmers at the plowing contest at Kasson, Minn., on September 6, 1952, in which he said:

And here, without any "ifs" or "buts" I say to you that I stand behind—and the Republican Party stands behind—the price-support laws now on the books. \* \* \* All I know of farmers convinces me that they would rather earn their fair share than to have it as a Government handout. And a fair share is not merely 90 percent of parity—it is full parity.

For the sake of the farm families and the good of the general economy of this Nation, I wish that the President, without any "ifs" or "buts," had taken the same stand that he pledged to take. It is tragic at this critical point, that he turned his back on the American farmer, and created additional unemployment when over 5 million men and women are hunting jobs. It was the small farmers of the United States, and not merely a candidate for office, who were plowed under by a promise at Kasson.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. YARBOROUGH. I yield.

Mr. HUMPHREY. I just heard the distinguished Senator from Texas refer to a speech delivered in Minnesota. He also said it was made by a candidate for office. I was wondering who the candidate was, in light of the veto message we received this morning. The veto message has no similarity whatever to the speech which was delivered in Minnesota. What was the candidate's name?

Mr. YARBOROUGH. In response to the inquiry of the distinguished Senator from Minnesota, I was trying to draw a comparison between the candidate of 1952 and the officeholder of 1958. Of course I was referring to the present occupant of the Presidency. I was regretting that he should listen to his advisers instead of listening to a playback of a speech he made in Minnesota. I wish someone had made a tape record-

ing of his speech so that it could be played back to him.

I served under the President in the European theater during the war. I admire him as a great leader, and also personally. I cannot understand why he lets his super advisers screen him so much from the people.

When I knew him he was always informed of what was going on at the front. I wish he knew what was going on at the economic front in this country. I served as a staff officer of an infantry division, and I always found that he knew what was going on. If he knew what was going on at the economic front, we would have had his signature of approval instead of his veto.

Mr. COOPER. Mr. President, I, too, regret that the President has seen fit to veto Senate Joint Resolution 162, to maintain farm price supports this year at not less than the 1957 level. Nevertheless, I think it is unfortunate that some of those who supported the resolution have taken this occasion to ascribe to the President ulterior motives against the interest of the farm population of the United States.

I think it well that I make my own position clear now. When the matter next comes before the Senate I expect to vote as I did originally—that is, to override the veto. However, I think it unfortunate that the discussion of this farm measure, commenced as one in the interest of farmers and nonpolitical, has deteriorated into a political issue.

At the time the two measures were before the Senate, one of these resolutions would have maintained supports for dairy products. A few minutes after the first joint resolution, freezing support prices on all agricultural products, had been passed, the opposing side saw fit to approve, and I believe defeat, the similar resolution which would have maintained existing support prices on dairy products.

Mr. President, I did not rise to discuss that issue. I shall probably do that later, when the matter comes before the Senate.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. COOPER. I yield to the Senator from Utah.

Mr. WATKINS. Mr. President, I wish to express my full agreement with what the Senator from Kentucky has said about the farm measure and the veto of the President. I firmly believe the President and Secretary Benson are on sound ground, and that in the long run the veto will prove to be a wise one, indeed, and in the interest of the farmers.

I wish to point out millions of farmers in the United States who produce cattle and sheep for food and also produce fruits and vegetables, do not receive any help whatsoever under legislation providing price supports, and they will be pleased not to have a continuation against them of as much discrimination as there has been in the past.

Mr. COOPER. Perhaps the Senator did not hear my remarks in their entirety. What I was saying was that I regretted the disposition of some Members of the Senate to ascribe to the

President, because of his veto, a purpose to drive down farmers' incomes.

I said that on my own behalf, I regretted the veto message had been sent to the Congress, and that I intended to maintain the position I had taken when the bill was before the Senate. I said further, that if a vote was taken, I would vote to override the veto.

Mr. WATKINS. Mr. President, I only heard a portion of the Senator's statement, and I thought that was the position he took.

Mr. COOPER. I understand.

Mr. WATKINS. With the explanation just made by the Senator from Kentucky in mind my position then is contrary to the position taken by the Senator from Kentucky. I intend to vote as I voted before. I shall vote to sustain the veto.

The PRESIDING OFFICER. The Chair is compelled to inform the Senator from Kentucky that 3 minutes have expired.

Mr. COOPER. Mr. President, I ask unanimous consent that I may proceed for an additional 3 minutes.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the Senator from Kentucky may be permitted 3 more minutes and that I may ask him a question.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and the Senator from Kentucky is recognized for 3 additional minutes.

Mr. ELLENDER. Mr. President, will the Senator yield for a question?

Mr. COOPER. I yield.

Mr. ELLENDER. I notice in the President's veto message he states:

We must continue in the direction which the Congress set in 1954 and endorsed in 1956—changes in the direction of greater opportunity for adjustments made necessary by our ever-changing agriculture.

We followed the President's suggestion, as well as the recommendation of Secretary Benson, in 1956. Now we are being asked to change it all; the administration wants to further depreciate prices by lowering the minimum support level from 75 percent of parity to 60 percent of parity, is that not true?

Mr. COOPER. That is substantially correct. I will say to my friend from Louisiana that what I have said had no reference to his statement or his position. I have always found the Senator to be objective and fair in every matter. He always speaks his convictions, honestly and without bias.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, notified the Senate that Mr. DAVIS of Tennessee had been appointed a manager on the part of the House at the conference of the two Houses on the bill (H. R. 9821) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways, vice Mr. JONES of Alabama, excused.



The message announced that the House had passed, without amendment, the bill (S. 3262), to authorize certain activities by the Armed Forces in support of the VIII Olympic Winter Games, and for other purposes.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 9655. An act to permit articles imported from foreign countries for the purpose of exhibition at the Oregon State Centennial Exposition and International Trade Fair to be held at Portland, Oreg., to be admitted without payment of tariff, and for other purposes;

H. R. 9917. An act to continue the temporary suspension of duty on certain alumina and bauxite;

H. R. 10112. An act to make permanent the existing privilege of free importation of guar seed;

H. R. 11019. An act to permit articles imported from foreign countries for the purpose of exhibition at the Kentucky State Fair, to be held at Louisville, Ky., to be admitted without payment of tariff, and for other purposes;

H. R. 11346. An act to amend title II of the Social Security Act to include Massachusetts among the States which are permitted to divide their retirement systems into two parts so as to obtain social security coverage, under State agreement, for only those State and local employees who desire such coverage;

H. R. 11407. An act to extend for 2 years the existing provisions of law relating to the free importation of personal and household effects brought into the United States under Government orders;

H. J. Res. 451. Joint resolution authorizing the 101st Airborne Division Association to erect a memorial in the District of Columbia; and

H. J. Res. 556. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the California International Trade Fair and Industrial Exposition, Los Angeles, Calif., to be admitted without payment of tariff, and for other purposes.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 233) favoring congressional recognition of the National Railroad Museum to be located at Green Bay, Wis., in which it requested the concurrence of the Senate.

#### ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 1032. An act for the relief of Katina Apostolou;

S. 2062. An act for the relief of Yasna Trevizan;

S. 2124. An act for the relief of Tasia J. Somas;

H. R. 5822. An act to amend section 406 (b) of the Civil Aeronautics Act of 1938 with respect to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment; and

H. R. 8268. An act to amend section 512 of the Internal Revenue Code of 1954.

#### HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles, and referred as indicated:

H. R. 9655. An act to permit articles imported from foreign countries for the purpose of exhibition at the Oregon State Centennial Exposition and International Trade Fair to be held at Portland, Oreg., to be admitted without payment of tariff, and for other purposes;

H. R. 9917. An act to continue the temporary suspension of duty on certain alumina and bauxite;

H. R. 10112. An act to make permanent the existing privilege of free importation of guar seed;

H. R. 11019. An act to permit articles imported from foreign countries for the purpose of exhibition at the Kentucky State Fair, to be held at Louisville, Ky., to be admitted without payment of tariff, and for other purposes;

H. R. 11346. An act to amend title II of the Social Security Act to include Massachusetts among the States which are permitted to divide their retirement systems into two parts so as to obtain social-security coverage, under State agreement, for only those State and local employees who desire such coverage;

H. R. 11407. An act to extend for 2 years the existing provisions of law relating to the free importation of personal and household effects brought into the United States under Government orders; and

H. J. Res. 556. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the California International Trade Fair and Industrial Exposition, Los Angeles, Calif., to be admitted without payment of tariff, and for other purposes; to the Committee on Finance.

H. R. 11574. An act making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes; and

H. R. 11645. An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1959, and for other purposes; to the Committee on Appropriations.

H. J. Res. 451. Joint resolution authorizing the 101st Airborne Division Association to erect a memorial in the District of Columbia; to the Committee on Rules and Administration.

#### HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 233) favoring congressional recognition of the National Railroad Museum to be located at Green Bay, Wis., was referred to the Committee on Rules and Administration, as follows:

Whereas the American railroad has been of incalculable importance to the growth and development of our Nation in time of peace and a major factor in her defense in time of war; and

Whereas there has been established at Green Bay, Wis., the National Railroad Museum whose purpose is to afford recognition in perpetuity to the role of the American railroad in our Nation's early history by preserving the railroad rolling stock and other memorabilia of the age of steam; and

Whereas the city of Green Bay has donated a site for the buildings and exhibits to be erected as part of the National Railroad Museum, and the State Historical Society of Wisconsin, an official State agency, has undertaken the responsibility of developing and operating the National Railroad Museum; and

Whereas there has been donated or pledged to the National Railroad Museum early and rare steam locomotives, other rolling stock, printed material, photographs, broadsides and ephemera, including the Carl R. Gray, Jr., collection, thus insuring its place as a center for the preservation of significant physical evidence of American railroading's early history; and

Whereas the National Railroad Museum, as an educational institution of major significance to all Americans in its portrayal of the development of the American railroad and the lives of the inventors, managers, investors and workers who created the ties of steel that bind our country together, is of national interest: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring),* That the Congress hereby recognizes the National Railroad Museum as a memorial to the individuals who built and ran our early American railroads and as a fitting and valuable institution for the collection and preservation of the memorabilia of the age of steam locomotion; and be it further

*Resolved,* That the United States shall be put to no expense by the approval of this concurrent resolution.

#### MISTAKES OF MR. WARREN OLNEY III

Mr. O'MAHONEY. Mr. President, I rise to a question of personal privilege, and to call to the attention of the Senate a passage contained in an address delivered by Warren Olney III, then Assistant Attorney General of the United States, to the conference of barristers of the State bar of California, at Monterey, Calif., on October 3, 1957. The address was inserted in the CONGRESSIONAL RECORD of Monday, March 24, 1958 by the junior Senator from California [Mr. KUCHEL], commencing on page 4532. The address contains a remarkable paragraph—remarkable in the unwarranted inference it seems to impart, and remarkable in the lack of knowledge it displays. On page 4534 of the CONGRESSIONAL RECORD of that date Mr. Olney is quoted as follows in reference to sections 332 and 334 of title 10, United States Code, the statutes relied upon by President Eisenhower as authority for calling out the troops at Little Rock, Ark.:

There is nothing old about this statute and nothing new about its principle. The statutes to which I have just referred were revised and reenacted as recently as 1956. It is not without interest to note that the subcommittee of the Senate that approved this language was headed by Senator JOHN L. McCLELLAN, of Arkansas, while the chairman of the full committee which unanimously approved its passage was presided over by Senator JAMES O. EASTLAND, of Mississippi. It passed both Houses without objection.

This paragraph is so at variance with fact, and is so filled with indefensible in-



today. On last Friday I telephoned him, when my attention was called to the statement made by Mr. Olney; and at that time I advised the Senator from California that I would make this statement today in the Senate.

#### PROCEDURE DURING MORNING HOUR

Mr. WILEY. Mr. President, I am sure the visitors in the gallery who have been patiently listening for the past 2 hours wonder what goes on in the Senate. They wonder, first of all, because they cannot hear very well. On several occasions I have tried to have installed in the Senate apparatus to enable the visitors in the gallery to hear what is said on the floor of the Senate.

Of course, during the morning hour anything from soup to nuts can be placed in the RECORD, and that has occurred today. In view of the fact that this is an election year, such procedure is easy to understand.

Mr. President—

The PRESIDING OFFICER (Mr. SCOTT in the chair). The Senator from Wisconsin.

#### RELATIONS WITH SOUTH AMERICA

Mr. WILEY. Mr. President, earlier today the distinguished Senator from Florida [Mr. SMATHERS] and the distinguished Senator from New Mexico addressed the Senate on the subject of the relations between the United States and South America.

This morning it was my privilege to hear, in the Foreign Relations Committee, a very remarkable report on the relations of the United States with South America. The report was made by Mr. Rubottom, Assistant Secretary of State for Inter-American Affairs.

In the course of his statement, Mr. Rubottom said:

In the last few years there have been some significant and encouraging developments. The trend are toward constitutionality and political democracy, all of them taking form without intervention or prodding from the outside. The Organization of American States has established a system of cooperation for security and welfare that strengthens our faith in multilateral organs. We have seen it solve some difficult hemisphere political problems. The American Republics also seek mutually acceptable solutions to their common economic problems, as was demonstrated by the Economic Conference of the Organization of American States which met in Buenos Aires last August. At that Conference the Ministers of Finance or Economy of the American Republics defined more sharply the problems, discussed possible solutions, and made assignments for further studies designed to develop formulas and policies to permit expansion of their economic development. In the matter of security, our military relations with Latin America fall within the framework of the Inter-American Treaty of Reciprocal Assistance, signed at Rio de Janeiro, in 1947, which establishes the principle that an attack by any state against an American state shall be considered as an attack against all the American states.

A little later he said:

Latin America is still in the midst of an economic and social revolution. Despite its large population and the availability of ex-

tensive natural resources, most Latin American nations are unable to finance this progress from their own financial resources. While relying mainly on private enterprise, the United States recognizes that there is at present a gap in their requirements which needs to be filled if the obstacles to economic progress, which apply in varying degrees to most countries of the area, are to be overcome. There are deficits in the production of food and fuel; there are shortages of power and transportation facilities; health and education facilities are often inadequate; there is a shortage of administrative and managerial personnel, and excessive economic nationalism and rigid social systems are all too prevalent in some places. There is need for sound long-term official loans in many sectors, and we have told the peoples of Latin America that we shall do our best through the Export-Import Bank to satisfy their needs for sound development where capital is not available on reasonable terms from private sources or from the IBRD. The new Development Loan Fund is open to Latin America, and a number of proposals are now under study. In addition, we are making local currency loans from the proceeds of the sale of United States surplus agricultural commodities.

Mr. President, at this point let me say that the economic and social revolution in South America is one thing President Eisenhower has not been blamed for up to date. Of course, the fact that coffee prices have dropped so greatly is another thing President Eisenhower has not been blamed for up to date. But there is no telling what is coming next from our ambitious friends.

All of us are aware that at the present time there is an overproduction of automobiles. That is another thing President Eisenhower has not been blamed for, up to date, but the election will not take place until November.

Of course, inasmuch as this is an election year, there are a few matters President Eisenhower is not blamed for by some persons. Efforts to blame the President are always provoked by discussions such as the one which occurred a few minutes ago on the floor of the Senate.

Let me say that there are a number of other matters which, thus far, the President has not been blamed for, but be patient.

#### VETO OF THE FARM JOINT RESOLUTION

I voted for the farm joint resolution, and I shall vote not to sustain the position of the President in vetoing the resolution. However, I must report that prices have risen, and I must report that I have heard from many farmers in my State who have at least sufficient charity to say that they think there may be two sides to the farm question; that the matter of overproduction of agricultural commodities is like the overproduction of automobiles, for which the President has not been blamed up to date.

The situation was well analyzed earlier today in the Senate by the Senator from New York. The problem is one of prices and consumption. The milk produced in Wisconsin for about 7 cents a quart is sold to consumers for 21 cents a quart. In the city of Washington, D. C., milk is sold for 27 cents a quart. The cost of distribution is responsible for the difference between the 7 cents and the 21 or 27 cents. That is why

the farmer does not receive an equitable share of the consumer's dollar. I suppose that some would be tempted to say that the President was also to blame for that, for the high wages and the high costs of distribution.

Mr. President, I think it is about time—and I may say that the letters I receive reflect it—that attempts to blame the Chief Executive for economic ills, should stop. The President was elected by the people of the United States as Chief Executive and not as a legislator, and the attempts to blame him for the recession are not being received favorably. In that connection, I am reminded of attempts made the other day to “jump on” several Senators in one of the committees. We remember that attempts were made, a few years ago, to “jump on” Senator Taft, of Ohio. But what did labor do at that time, Mr. President? Labor gave Senator Taft the biggest majority he ever received. Trying to escape our own responsibility by blaming the other fellow, is an old game, and the American public is awake to that game.

Too many folks are trying “to make hay” for themselves with this technique. Publicity seeking has become a disease.

#### LATIN AMERICAN RELATIONS

Mr. President, I read further from the address by Mr. Ruttom:

##### 1. MILITARY PROGRAM

It is important to remember that we have as much of a stake in the defense of Latin America as the Latin Americans themselves. The area is an important source of supply for materials of strategic and critical importance. It is essential also that the productive facilities, representing in part a heavy United States investment, and that the ocean routes over which ships carrying the commodities pass, be defended and protected. The objective of the military portion of our mutual defense program is to cooperate with our Latin American neighbors and orient our mutual military preparations toward the common defense of this hemisphere.

Our cooperation consists principally in making available suitable military equipment and training to specific units designated for hemispheric defense tasks in the 12 countries with which we have Mutual Defense Assistance Agreements. For fiscal year 1959 we propose that the Congress appropriate \$54 million for this purpose. This may be compared with approximately \$1 billion which the Latin American countries themselves spent last year for their military defense establishments.

##### 2. BILATERAL TECHNICAL COOPERATION PROGRAM

The bilateral technical cooperation programs are essentially designed to demonstrate improved techniques and, through training therein, to assist Latin American countries to acquire the skilled local personnel essential to their economic development. They have been based on a common understanding reached by the 2 governments concerned that the technical cooperation provided was needed and justified on grounds of mutual self-interest.

Our bilateral technical cooperation programs are related to host country efforts in the fields of agriculture, education, health and sanitation, industry and mining, transportation and communications, labor, public administration, housing, and community development. They are designed to provide for the training of technicians and for demonstration projects directed at the practical



solution of basic problems obstructing economic progress.

### 3. UNITED STATES CONTRIBUTION TO THE TECHNICAL COOPERATION PROGRAM OF THE OAS

As you know, over the years we have developed a mutually beneficial multilateral relationship with our neighbors to the south through the Organization of American States. This inter-American relationship has served as a model for the United Nations and other regional groups and points up the willingness in this hemisphere to share in and solve problems peacefully. Perhaps at no time in our history has it been more important for the United States to encourage the nations of the Western Hemisphere to continue their effective participation in the Organization of American States.

This body conducts a small multilateral technical cooperation program which the United States supports on a voluntary basis in conjunction with all of the other American Republics. This technical cooperation program is unlike the United States bilateral and U. N. programs, which provide technical assistance to individual countries, in that it consists entirely of regional training activities at regional training centers. The OAS technical assistance funds are used to support special training staffs and to provide fellowships for trainees from all of the countries of Latin America to attend the centers, which have been established in conjunction with existing educational facilities, or to attend special seminars, workshops, et cetera.

Mr. WILEY. Mr. President, I turn now to another subject.

The PRESIDING OFFICER. The Senator from Wisconsin has the floor.

### RESEARCH BY UNIVERSITY OF WISCONSIN SETS OUTSTANDING STANDARD FOR AMERICA

Mr. WILEY. Mr. President I desire to speak for a few minutes in regard to educational research by the University of Wisconsin which sets an outstanding example for America.

Before doing so I may say that an answer to the Kremlin was given at 1 o'clock today by the President, and by British Prime Minister Macmillan, and by the Premier of France; defining our joint position in relation to the proposition of the Kremlin. I suppose their statement will be published in the newspapers this evening. There is no question that the President and the executive branch of our Government have been negotiating and seeking, through every possible avenue, to find a basis of understanding that can be enforced. However, as was stated recently in an article published in one of the magazines, the United States had 52 agreements with the Kremlin, but the Kremlin violated 50 of them. We do not want merely an agreement? Some time ago the Kaiser said a treaty was but a scrap of paper. The Kremlin has demonstrated that it agrees with the Kaiser's statement.

That is not the American way. When we make an agreement, we keep it. We have found, from our experience with Khrushchev, that the Kremlin does not keep its agreements. The percentage of agreements broken by the Kremlin is 50 out of 52.

If anyone wants to get the low down on the matter of agreements broken by Russia, I invite him to read the article

appearing in this month's Reader's Digest on the history of our dealings and the dealings of other countries with the Bolsheviks and Communists. They and we have definitely come to put no faith in what the Soviets say.

What does that have to do with the situation in America today? It has this to do with it: We are not going to have another Pearl Harbor. We are not going to be sucked into complacency. Instead of having 2 years to get prepared, we must have our intercontinental missiles ready to go into action in 15 minutes. When we talk about negotiating, let us make sure that whatever is negotiated can be enforced and the agreement kept.

Mr. President, on March 14, I pointed out in the CONGRESSIONAL RECORD, beginning on page A2403, the significance of a most constructive Citizens' Conference on Educational Research which had been held on the University of Wisconsin campus.

This citizens' conference represented the sort of grassroots leadership in the field of education which is so essential if America is to strengthen its primary, secondary, and higher education to meet the challenges of the atomic-space age.

I have been pleased to receive from Dean Lindley J. Stiles, of the school of education, of the university, the text of the remarks which were delivered at the citizens' conference. Included among these remarks was a fine address by Gov. Vernon W. Thompson.

There was an excellent statement by State Superintendent of Public Instruction George E. Watson. Helpful comments were made by Mr. Helge Holst, treasurer of the Arthur D. Little, Inc., on what research means to American industry and its challenge to education.

Since space is limited, however, so far as reprinting is concerned, I should like to call the attention of my colleagues to but a few excerpts of some of the other very important presentations made at the conference. Were it possible to reprint in entirety all of the remarks, I should gladly do so because each of the talks proved so very constructive. There follow, however, a few of the portions of several of the statements. The first was a message from Secretary of Health, Education, and Welfare, Marion B. Folsom, commending the conference.

The second was the welcome address of President E. B. Fred, of the University of Wisconsin. The third was the fine statement by the dean of the graduate school, Dr. Conrad Elvehjem, who is to be the next president of this great institution.

And finally, there are included excerpts from Dean Stiles' statement.

I believe that these abridged portions will, despite the limitation of their brevity, provide helpful background tools in our future consideration of aid-to-education legislation.

I ask unanimous consent that these comments be printed at this point in the body of the RECORD.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

MESSAGE FROM SECRETARY MARION B. FOLSOM TO THE PEOPLE OF WISCONSIN, PRESENTED BY DR. HERBERT S. CONRAD, DIRECTOR, RESEARCH AND STATISTICAL BRANCH, UNITED STATES OFFICE OF EDUCATION, WASHINGTON, D. C.

Your statewide Citizens' Conference on Educational Research, opening today on the University of Wisconsin campus, provides another example of the leadership for which the university and the other sponsoring organizations are well known. It is also an evidence of the kind and degree of public interest that is needed to fulfill our hopes for the future of American education.

On behalf of the Department of Health, Education, and Welfare and the Office of Education, let me say that your imagination and vision in developing such a conference is very heartening. The initial success of the cooperative research program through which the Office of Education works with institutions of higher learning and State educational agencies has illustrated that a constructive partnership approach to the problems of research can be made by all levels. The University of Wisconsin has been among the Nation's foremost in recognizing the potential of this new program, and as an active participant has put forth consistently high-quality effort.

Commissioner Derthick joins me in wishing you great success in this unique undertaking.

EXCERPTS OF WELCOME PRESENTED BY DR. E. B. FRED, PRESIDENT, THE UNIVERSITY OF WISCONSIN

It is a pleasure for me to welcome you to the university.

The welfare of education in this State, at all levels, is a primary concern of this university. And the university's traditional method of solving problems in all fields is through research.

Your presence here today indicates that you are aware of the many challenges which face this State in providing the quality and types of education which will best prepare our children for good and productive lives. I need not review those challenges.

It might be well, however, to list some of the factors which will help us meet them:

First, the deep and abiding faith which the people of this State have in the value of education. Wisconsin citizens have developed and supported an educational system which ranks high in the Nation.

Second, our State's willingness to experiment. Wisconsin welcomes change and progress. Although our people respect the traditional, they have the courage to pioneer, and they have experienced the benefits of research in many fields.

Third, our State has made its university one of the Nation's great research centers. And the university, in turn, has concentrated much of its research on studies aimed at solving problems of our State.

United States Commissioner Lawrence G. Derthick recently cited the University of Wisconsin as a leading institution in research upon educational problems, and praised the corps of Wisconsin research workers now engaged in these studies. The nature and some of the results of this research will be exhibited to you during the day.

EXCERPTS OF ADDRESS PRESENTED BY DR. CONRAD ELVEHJEM, DEAN, GRADUATE SCHOOL, THE UNIVERSITY OF WISCONSIN—WHAT RESEARCH HAS DONE FOR WISCONSIN

Our civilization is built on observations or research activities by certain individuals. Crawford H. Greenewalt, president of E. I. du Pont de Nemours & Co., emphasized this in the following words: "Behind every advance—is a germ of creation growing in the mind of some lone individual—whose dreams waken him in the night while others lie contentedly asleep." We, then, are the bene-



Wet phosphate rock, mine to drying plant: 3 percent excise tax.

Dry phosphate rock, drying plant to processing plant: 3 percent excise tax.

Elemental phosphorous, processor to pharmaceutical manufacturer: 3 percent excise

Phosphoric acid (for example), manufacturer to sirup producer: 3 percent excise tax.

Sirup, producer to distributor: 3 percent excise tax.

Sirup, distributor to soft drink bottler: 3 percent excise tax.

Bauxite ore, port or mine to reduction plant: 3 percent excise tax.

Aluminum sheets, reduction plant to fabricator: 3 percent tax.

Window frames (for example), fabricator to wholesaler: 3 percent excise tax.

Window frames (for example), wholesaler to retailer: 3 percent excise tax.

Pulpwood, assembly point to paperboard mill: 3 percent excise tax.

Paperboard, mill to converter: 3 percent excise tax.

Paper cartons, converter to cereal manufacturer (for example): 3 percent excise tax.

Wet phosphate rock, mine to drying plant: 3 percent excise tax.

Dry phosphate rock, drying plant to acidulating plant: 3 percent excise tax.

Superphosphate, acidulating plant to fertilizer mixing plant: 3 percent excise tax.

Fertilizer, mixing plant to distributor: 3 percent excise tax.

Cotton, ginning point to warehousing point: 3 percent excise tax.

Cotton, warehousing point to spinning mill: 3 percent excise tax.

Thread, spinning mill to weaving mill: 3 percent excise tax.

Cloth, weaving mill to bleachery: 3 percent excise tax.

Cloth, bleaching to sewing plant: 3 percent excise tax.

Clothing, sewing plant to retailer: 3 percent excise tax.

Iron ore, port or mine to steel mill: 3 percent excise tax.

Steel, mill to agricultural implement factory: 3 percent excise tax.

Agricultural implements, factory to distributor: 3 percent excise tax.

Agricultural implements, distributor to retailer: 3 percent excise tax.

Mr. SMATHERS. One further word. We shall have considerable difficulty getting this tax removed, not because everyone does not believe it should be removed, but because of the procedure involved. The Surface Transportation Subcommittee has already submitted an amendment, which is now before the Finance Committee of the Senate, to an excise tax bill pending before that committee, eliminating the 3-percent excise tax on freight and the 10-percent excise tax on passenger traffic. The difficulty is that, while everyone is in favor of removing the tax, everyone wishes some other excise tax to be removed at the same time. Some wish to remove the cabaret excise tax. Others wish to remove the tax on baby oil. Others wish to remove the excise tax on automobiles, saying that that is the area in which relief is primarily needed.

But if we examine every one of the excise taxes, we cannot find one of them which has such a broad application as the 3-percent transportation tax. It reaches into every crossroads and every town, and affects every human being in every town. The 3-percent excise tax

on transportation applies to baby food, farmers' products, and everything the laborer eats, buys, or wears. Whether one is a professional man, an educator, or is engaged in some other occupation, he is affected by the 3-percent excise transportation tax. There is not a single one of the 178 million people in the United States who does not directly feel the bad effect of the 3-percent excise transportation tax.

I am in favor of removing some other taxes. Nevertheless, I know that it will not be the disposition of the committee to recommend removal of all the excise taxes at this time. I hope, when we consider the subject, we shall see that the excise tax on transportation is in a little different category from other excise taxes.

If we wish to stimulate the economy and, in effect, lower the purchase price of the various articles on the shelves of dealers, and the prices of articles yet to be made; if we want to give a sensible stimulus to the business community and our general economy. I highly recommend that the transportation excise tax be the first one to be eliminated.

Mr. SCHOEPPEL. Mr. President, I concur 100 percent in the remarks of the distinguished junior Senator from Florida on the floor this afternoon with reference to the 3-percent transportation tax. As he has pointed out, it is one of the taxes which should be eliminated, because it is a cumulative tax.

Mr. HUMPHREY. Mr. President, during my remarks relating to the distinguished Senator from Florida, I certainly wished to include reference to his devoted and dedicated service in the field of transportation.

Mr. BEALL. Mr. President, I wish to concur in the remarks made by the distinguished Senator from Florida. I, too, feel that nothing will do more to stimulate business than to remove this very vicious and objectionable tax. It was put on first during World War II in order to discourage purchases and to discourage travel. Certainly for the same reason it was levied it should now be taken off, in order to encourage business, particularly transportation. I certainly hope that Congress will bring about its removal.

Mr. SMATHERS subsequently said: Mr. President, earlier today I was engaged in a discussion with respect to the elimination of the 3 percent transportation tax. At that time I forgot to put into the RECORD as a part of my remarks two letters which I received, one from the National Association of Home Builders, the other from the National Retail Lumber Dealers Association, both of which urge the removal of the 3 percent transportation tax. I should like to have incorporated in the RECORD along with those letters an article which appeared in Sunday's Washington Post by Mr. J. A. Livingston, entitled "Price Cuts Needed, Not Wage Boosts."

There being no objection, the letters and article were ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF  
HOME BUILDERS

Washington, D. C., March 2, 1958.

The Honorable GEORGE A. SMATHERS,  
Senate Office Building,  
Washington, D. C.

DEAR SENATOR SMATHERS: This association is strongly in support of those measures needed to meet and to counteract the current recession in business which has affected areas of the country. As you know, there are many actions which we believe can be taken in the housing field. Equally helpful, however, are actions which can be taken by the Congress or the administration in related fields which will be of assistance to home building and other industries and small businesses. Accordingly, we support your action in sponsoring a measure to remove the transportation excise tax of 3 percent on freight and 10 percent on passengers.

Naturally we are primarily interested in the removal of the excise tax upon freight transportation. Home building is a large-scale user of a vast number of construction materials and household goods which are each subjected to this transportation tax at successive stages of production from raw materials to finished products. We appreciate your interest in this matter and will be interested in the progress of the bill toward enactment.

Sincerely,

NELS G. SEVERIN,  
President.

NATIONAL RETAIL LUMBER DEALERS  
ASSOCIATION,

Washington, D. C., March 28, 1958.

Hon. GEORGE A. SMATHERS,  
United States Senate,  
Washington, D. C.

DEAR SENATOR SMATHERS: I have read with a great deal of interest that you and other Senators have introduced legislation which, if enacted into law, would repeal the excise tax on transportation of property.

As president of the National Retail Lumber Dealers Association, and on behalf of the 30,000 retail lumber and building material dealers of the Nation, I want to commend you for sponsoring this legislation.

This tax was a wartime measure designed to discourage the use of our transportation facilities. The reason for the tax no longer exists.

In fact, our major railroads are fighting to remain solvent and everything possible should be done to assume the continuation of an adequate transportation system.

The 3 percent excise tax on the transportation of property falls heavily upon the shipment of lumber, building materials, and other products sold by the average retail lumber and building material dealer.

This tax is necessarily reflected in the cost of everything that goes into the new house and all other construction, without adding to the value of the structure.

Such a tax penalizes the long-haul shipper and pyramids at each step of manufacture and distribution.

Much of our lumber must be shipped from the northwest and south to markets a great distance from the area of production.

Because the tax is a fixed percentage tax on freight charges, the recent freight rate increases granted to the railroads automatically increased the tax on freight.

This tax affects every consumer, his home, his food, and everything that he wears or uses.

The tax is not only discriminatory as between different areas of the country, but as between large and small shippers. Many



smaller shippers must depend on public transportation systems entirely.

Repeal of the excise tax on transportation of property at this time will, I feel confident, provide a stimulus to the economy, and increase the revenue of the railroads at a time when additional revenue is badly needed to provide a sound and healthy transportation system.

I sincerely hope that your efforts to repeal this burdensome tax will meet with success in the present session of the Congress.

Very truly yours,

JAMES C. O'MALLEY,  
President.

[From the Washington Post and Times Herald]

#### PRICE CUTS NEEDED, NOT WAGE BOOSTS (By J. A. Livingston)

In a recent issue, Barron's magazine tries to slay the myth that this recession is different, that prices will continue to go up while employment and production go down. Says Barron's: Prices have been going down, even though the cost-of-living index doesn't show it.

Automobile dealers are granting bigger trade-ins on old cars or cutting down profit margins on new cars. Steel companies are nibbling away at prices. Maybe list prices stay put, but charges for extras are reduced or even overlooked.

In retailing, discount houses cut costs to consumers. The decision of General Electric to abandon fair-trade pricing on small appliances recognized the fact that price maintenance had broken down.

Barron's notes that the cost-of-living items which have moved most stubbornly upward are services—electricity, gas, telephone, hair cuts, beauty treatments, laundry. These are items not susceptible to price flexibility, to bargaining between vendor and customer. Inference: The cost of living ultimately will reflect downward pressures.

#### HOUSEWIVES HAVE THEIR INDEX

A realistic point: When consumers begin to cut their purchases, when business failures rise, when retailers and wholesalers scrounge for business, the pressure to increase sales, to offer inducements to buyers increases. So, even though quotations don't formally drop—as did copper, lead, and zinc—costs do.

But housewifely grumbles about the high cost of living are also an index. Living expenses are still about at the top. And this top has been reached when personal income has been on a decline for 6 months. As expenses remain high, the capacity of people to buy has diminished.

Walter Reuther, the indefatigable and imaginative president of the United Auto Workers, has his own way of dealing with the squeeze on consumer buying power: Boost wages; put more money in workers' pockets, notably auto workers. But members of the UAW who are not on the job won't be helped by a pay boost.

#### PRICE CUTS HELP EVERYONE

Purchasing power can be increased by price reductions as well as by wage increases. Price reductions help everybody—the man who is on unemployment benefits, the man who is on a 4-day week, and bank clerks, school teachers, farmers, and textile workers.

If ever there was a time to give two hackneyed phrases—labor statesmanship on the one hand and industrial statesmanship on the other—the dignity of deed, that time is now. A recession is supposed to bring price adjustments. But prices stay rigid when labor demands too much, when managers of corporations set prices to net a predetermined profit, which, during a slump in business, doesn't materialize. So they want to raise prices some more in a hopeless climb against diminishing sales and returns.

#### WHAT STATESMANSHIP REQUIRES

It is the responsibility of industrial statesmen and union statesmen now not to boost wages. Industrialists can justify resistance to wage boosts with price cuts. The auto industry, for example, would like the Federal Government to eliminate the \$150 to \$300 manufacturers' excise tax on cars. The industry could make a stronger case by helping itself. By cutting prices. In good times, executives boast about their rugged initiative. In a slump, this rugged initiative seems to give way to appeals to the Government for maternal aid and comfort, such as, "Please take away our taxes."

The wage negotiations now underway between the auto industry and the auto union will indicate just how much statesmanship sits on both sides of the bargaining table. A wage pattern is at stake. The custom of union leaders is to vie with one another—Who can be tops? Who can extract the biggest raise? But it's equally important to see who can be sensible.

July 1 is a critical date. As a result of a 3-year contract, wages in the steel industry are due to go up a minimum of 7 cents an hour. There will be other fringe benefits, too. And officials of the steel industry are not averse to indicating privately that they would like to raise prices to cover the cost of the increase to David J. McDonald's United Steelworkers.

A price rise in steel would be unwise at this phase of the recession. Steel companies now making money operating at 50 percent capacity could absorb the boost. After all, demand won't stay down indefinitely. And, if the rise can't be absorbed, then let the industry hark back to 1948. United States Steel Corp. granted a wage rise voluntarily to the late Philip Murray as head of the USW, because steelworkers' wages had lagged behind mining and autos. The industry could suggest a voluntary moratorium on the automatic wage boost. "Long-term wage contracts," said Reuther, "Should be living documents to meet changed conditions."

Meanwhile, the crocuses have begun to fight through this winter of discontent. Machine tool orders rose slightly in January and then again in February. Orders for structural steel were up 14 percent in February over January. Steel production still exceeds incoming orders, but, at the same time, consumption—the chewing up of steel—is thought to exceed production (deliveries to steel users.)

President Eisenhower feels that we're now going through the worst of the recession. If he's wrong, he has company—me.

#### SHIRLEY LEEKE KILPATRICK— VETO MESSAGE (S. DOC. NO. 84)

The PRESIDING OFFICER (Mr. SCOTT in the chair) laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on the Judiciary, and ordered to be printed:

#### To the United States Senate:

I return herewith, without my approval, S. 2110, for the relief of Shirley Leeke Kilpatrick.

On March 24, 1958, subsequent to the passage of this measure by the Congress, an adjustment of status to that of a lawful permanent resident of the United States was granted the beneficiary by the Immigration and Naturalization Service pursuant to section 245 of the Immigration and Nationality Act. S. 2110 is therefore unnecessary.

DWIGHT D. EISENHOWER.  
THE WHITE HOUSE, March 31, 1958.

#### THE IMPORTANT ROLE OF RADIO IN THE PRESERVATION OF FREE SPEECH AND FREE ENTERPRISE

Mr. SCHOEPP. Mr. President, on March 27 I brought to the attention of the Senate the important role that radio plays in the preservation of free speech and the American system of free enterprise. I referred to the recent reports that had been published about the possible curtailment of the American Radio Broadcasting Network, and expressed the hope that it would be able to continue its radio network operations.

In my remarks I referred to the radio networks which are operated in conjunction with television and noted that these radio operations were being maintained although they were unprofitable.

Inadvertently, I failed to mention the Mutual Broadcasting System, the largest in the United States in point of number of affiliates. Mutual has served the Nation faithfully and well in all areas of broadcasting. In the area of news relating to public affairs it has done an outstanding job.

The remarks I offered concerning the other networks apply in full measure to the Mutual Broadcasting Co.

#### STAY IN REDUCTION OF SUPPORT PRICES—VETO MESSAGE

Mr. HUMPHREY. Mr. President, I should like to address myself briefly to the veto message of the President on Senate Joint Resolution 162, the joint resolution passed by the Senate by an overwhelming vote, and also passed by the House of Representatives.

It should also be noted that a substantial majority of the Republican Party caucus in the Senate also urged the President to sign the joint resolution, as did an overwhelming majority—I believe it was 42—of the majority party in the Senate.

It is very unfortunate, indeed, that the President found it necessary from his point of view, and obviously on the basis of the advice he received, to veto this first agricultural antirecession measure.

Senate Joint Resolution 162 was designed for 2 purposes and passed on the basis of those 2 purposes. First, it was designed to prevent further price declines and further income declines in agriculture. It was designed to maintain Government protections at the 1957 levels.

In view of the announced reductions in Government price supports for 1958, it was understandable why an overwhelming majority in Congress took the action it did in asking that price supports, insofar as Government activity is concerned, be maintained at the 1957 level.

The second purpose was to afford Congress the time needed to perfect long-term, long-range basic agricultural legislation. Those of us on the Committee on Agriculture and Forestry who have that responsibility, at least initially, did not want to have to work under the gun, so to speak, with the economic gun loaded and pointed at us, ready to go off any minute. We preferred to be able to work after more mediation and deliberation and consideration.



Therefore, the joint resolution was passed by Congress. However, the action of the President of the United States throws the entire agricultural economic picture into a whirl and into utter confusion.

I predict that prices paid to farmers for their commodities will go down as the result of the veto. I predict that the farmer will suffer economic loss because of the veto. I predict that the family farm and the family farm system will suffer economic tragedy because of this kind of negative action.

I further predict that corporate farming will expand, that the growth of large commercial corporate farms will be expedited and intensified. I do not believe that is good for America. The kind of negative policy which is embraced in the veto message will lead to that kind of development on our agricultural front, namely, the expansion and extension of corporate agriculture. That will be done to the detriment of our American social and political systems.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Is it not also true that the people who live on the farms will anticipate from the veto message that the administration intends to lower supports?

Mr. HUMPHREY. The Senator is correct. As the Senator knows, the President reiterates his recommendation of lowering price support levels and broadening flexibility from the present 75 to 90 percent, to the level of 60 to 90 percent. In fact, he is recommending, in some instances, the full scale, from 0 to 90 percent.

The Senator from South Carolina further knows that the President asks that the escalator clauses, which are built into the present farm laws, whereby when surpluses are removed, prices tend to increase be eliminated.

Therefore, I can say that the veto message will result in lower prices for farmers for the commodities they produce, and that there will be no saving—not so much as one cent in saving—for the consumer in the food market. Food prices have been going up despite the fact that farm prices have been coming down. Recently, over the week-end, we heard some so-called good news with reference to an increase of farm prices.

What did they consist of? They consisted of certain types of citrus fruits. Those prices rose because of an act of nature, a calamity, which struck the producers and caused a shortage of citrus fruits. Because of the shortage of citrus fruits, and because of the frost, and because of the losses to the citrus producers, citrus prices went up well above 100 percent of parity in some instances. I trust that that is not the administration's program. I trust that the administration is not endorsing a type of farm program in America which is based on calamities.

What else caused the price rise for farmers? Potatoes are up to 125 percent of parity. That is again because of a short supply, brought about by unfavorable weather conditions. We can go

down the whole list of products from fresh vegetables and citrus fruits to potatoes, and find that that is what has basically raised the parity price structure.

Mr. JOHNSTON of South Carolina. I ask the Senator not to forget cotton.

Mr. HUMPHREY. The Senator calls our attention to a certain type of cotton, of which there is a desperate shortage, and that again has resulted in higher prices.

The Senator from Minnesota has pointed out that an abundant supply of agricultural commodities is the consumer's best protection. I wish to warn consumers that the administration's program will take the consumers of America to the proverbial economic cleaners. The administration's program results in surpluses for agriculture, and also results, because of uncontrolled production and because of unplanned methods in agriculture and because of a failure of a plan, in higher prices to consumers.

I notice that the administration have tried to give the poor dairy farmer a little more hope. They have said to the dairy farmer, "We are going to reduce your milk price from \$3.25 to \$3 a hundredweight. We are going to reduce your dairy income, but we are not going to sell any butter we take into Government storage in the domestic market for anything less than 90 percent of parity."

What a sop. What hypocrisy.

What surpluses we have of dairy products are needed for the school-lunch program, for our welfare programs, and for our overseas programs. As a matter of fact, until only a few days ago the butter program had been stopped. It was only after one of the Members of the Senate vigorously questioned it in the Senate that the Secretary of Agriculture restored butter to the surplus list available for welfare agencies.

In the veto message the President says:

Dairy products acquired under the price-support operation will be used outside the regular domestic commercial market. These products will not be offered for sale in such markets during the remainder of 1958 at less than 90 percent of parity.

First of all, the administration justified its reduction of dairy price supports on the ground that such reduction would eliminate surpluses. If that is true, how is the administration going to maintain any stocks and not ultimately sell in the commercial market except at 90 percent of parity?

We cannot have it both ways, even though, apparently, the administration desires to have it so. I say that anyone who will make an objective, careful analysis of the message will see that it is filled with political and economic booby traps.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. YARBOROUGH. In line with what the Senator from Minnesota has said about the booby traps in the Presidential veto message concerning the farm price-supports bill, I call attention to the paragraph near the bottom of the page in which the President says:

Substantial gains have been achieved: Through the rural development program to help those at the low end of the income scale.

In view of the fact that the administration's policies are driving 50,000 farm families off the farms and into the ranks of the unemployed in the cities, and in view of the recommendations of the Committee for Economic Development that there be eliminated from farm life 1,225,000 of only 4 million farm families remaining, does the Senator from Minnesota think it is a correct statement that through the rural development program those who are at the low end of the income scale have been or will be helped?

Mr. HUMPHREY. I certainly do not. I say most authoritatively and most respectfully to the Senator from Texas that when the Committee on Agriculture and Forestry asked the Department of Agriculture for its evidence on the accomplishments of the so-called rural development program, the committee waited, waited, and waited, and finally received nothing but generalized reports offering no evidence of any real results to farmers. The results of the rural development program are so pusillanimous, so limited, and so inadequate, that it is ridiculous to think it can save farmers from immediate economic hardship.

Mr. YARBOROUGH. Was that wait during the period last summer while the Senator from Minnesota was seeking to examine the Secretary of Agriculture before the Committee on Agriculture and Forestry, and while the Secretary of Agriculture was spending 100 days in the Rocky Mountains, inspecting the national forests?

Mr. HUMPHREY. No; that was another one of his absences from the Department. The latest report was sought during the time the Secretary was present in Washington. There is very little difference, I may say, between what happens when the Secretary is present and when he is not present. The policies are pretty well set, and the program of the administration is carried out according to those policies.

There is one other point to which I wish to call the attention of my colleagues. I was particularly pleased to notice, when I read the message, that the President has indicated that there will be special export subsidy programs for cotton, corn, and other feed grains, similar to the present export program on wheat. This can be done without legislation, says the President's message. I quote further:

The effect of this program will be to move these products directly from commercial markets to the export trade without running them through the Commodity Credit Corporation. Under the wheat export program farmers have obtained broader markets and substantial price benefits in the market place. Marketing efficiency has been promoted and the amount of wheat which has moved into Government channels has been reduced. The new program for cotton and feed grains is expected to have similar effects.

I say to the administration that this is a heartening statement—but certainly belated. I thoroughly support point 5



of the President's veto message. Not only do I support it today, on this date of March 31, 1958; I supported it last year, and I supported it the year before. We have been waiting for 2 years for the administration to say something like this.

It was 2 years ago that the junior Senator from Minnesota rose in this Chamber and urged the Department of Agriculture to enter into an export subsidy program for wheat, and not to rely upon the Commodity Credit Corporation to do all the business. I then said that the Commodity Credit Corporation should supplement private industry and the private grain trade, and that it should not be permitted to supplant the private grain trade. As a result of the efforts of the Senator from North Dakota [Mr. YOUNG], the Senator from South Carolina [Mr. JOHNSTON], and other Senators, including myself, it was possible to shake the Department of Agriculture loose from its sterile, inflexible, unproductive position, and finally to enter into a wheat export program which has worked.

We have been pleading for almost 2 years for the same kind of program for cotton and feed grains. I must say that it is indeed music to my ears, and it causeth great rejoicing throughout the land that, at long last, the administration, in submitting the veto message, which will damage American agriculture, has included at least one faint ray of hope, namely, that the Government expects to enter upon a seasoned, tried, and tested program of export for cotton, corn, and feed grains. I assure the administration of my wholehearted support of such efforts. I hope the President's expression will be more than simply a statement. I trust he will communicate his will and his wishes to the Department of Agriculture. I trust that the Department will move with alacrity, and will not permit any more of the foot-dragging which has gone on for many months in moving feed grains and cotton, especially the short staple cotton, which are in our reserves.

I regret that the President of the United States has seen fit to veto the joint resolution. Other Senators have expressed themselves and will express themselves on the subject. I only hope we shall be able to override the veto. But, be that as it may, the responsibility lies squarely on the Department of Agriculture and the White House for striking down the first antirecession measure, the first effective step which was taken to stop the decline in agriculture. The measure was struck down by the White House. Let the American people know that.

Mr. and Mrs. Consumer, when your food prices go up, as they will, and when you see farm prices go down, as they will, let it be understood where the responsibility lies. Some of us tried desperately, without regard to party—Senators on the other side of the aisle and on this side of the aisle—to stop this disastrous decline before it got out of control.

Mr. YOUNG rose.

Mr. HUMPHREY. Mr. President, without losing my right to the floor, I

yield to the distinguished Senator from North Dakota.

Mr. YOUNG. Mr. President, I express my deep regret that the President saw fit to veto the farm price support freeze measure. Second, I take exception to some of the reasons set forth for vetoing the proposed legislation. For example, the first reason given is:

It would pile up more farm products in Government warehouses.

The resolution did not affect price supports for feed grains at all, with the exception of grain sorghums. It would have raised the price supports on grain sorghums 2 cents a hundred pounds, which is very insignificant. The only grain which would have been affected to any appreciable degree would have been wheat. The price supports for wheat would have been raised from \$1.78 a bushel, as announced by Secretary of Agriculture Benson last June, to \$2 a bushel, which was the price President Eisenhower himself established in 1954, when he vetoed the farm bill of that year.

Let me give the figures on wheat production since 1954.

In 1954, the production of wheat was 984 million bushels; in 1955, 935 million bushels; in 1956, 1,004,000,000 bushels; in 1957, 947 million bushels.

This year, after the Secretary of Agriculture had announced a drop of 22 cents a bushel below the support price of last year, lo and behold the forecast now is for 1,077,000,000 bushels of wheat, despite the fact that millions of acres have gone into the acreage reserve part of the Soil Bank program.

Does that prove that lower price supports will reduce production? Certainly it proves exactly the opposite. If the Senator from Minnesota will permit me to do so, I shall discuss 1 or 2 more items.

I read from the veto message quote:

It would bypass the problems of the small operator who produces so little for sale that price supports have scant meaning to him.

Mr. President, no farmers have more at stake in regard to price supports than do the small farm producers of the Nation. Everyone—with the exception of Secretary Benson—seems to know that.

The big producers do not need any price-support program at all. But if we have only big producers and their kind of efficient production, we will have a different kind of America than the America we know today. We shall no longer have need of all the small towns and cities that are scattered throughout the Nation.

Mr. HUMPHREY. Then will the Senator from North Dakota agree with me that the effect of the veto will be to make it very difficult for family farmers to make a good living, and to make it easier for commercial, large corporate agriculture to grow and to expand?

Mr. YOUNG. Yes, that will be the result; more small farmers will go broke, and more big operators will have a chance to increase their holdings. That is exactly what will happen.

I read further from the President's veto message:

5. It would hold up the needed transition to modern parity and would in fact disregard the parity principle.

The President discusses "the modern parity formula." I would be perfectly happy to have substituted for the old 1910-14 base period the 1947-49 base period for determining parity in the so-called "modernized parity formula." The 1947-49 base period is the one that labor and industry use. But the Secretary of Agriculture will not do that. That would mean an increase of a few pennies in the price supports for agricultural commodities. That would make the formula a fairer one and more nearly reflect the cost of operation. But the Secretary of Agriculture will not accept it. It seems that all he is interested in is a lower price for farm commodities.

Mr. HUMPHREY. Mr. President, no Member of this body, so far as I know, is more interested in the agricultural situation, particularly in the production of cereal grains, than is the Senator from North Dakota [Mr. YOUNG]. As I understand what he has stated, for the index for labor and industry, the base period is 1947-49; but for purposes of the so-called modern parity formula for the farmer, which is nothing more than an index figure, the Secretary of Agriculture is unwilling to use the same base period that industry and labor use, but he seeks to use another base period, which will mean less protection and less opportunity for a fair price for the agricultural commodity producers. Is that a correct interpretation of what the Senator from North Dakota has said?

Mr. YOUNG. That is correct.

Mr. President, I read further from the President's veto message:

6. It would be unfair to those winter wheat growers who signed up under the 1958 acreage reserve program with the understanding that the price supports which had then been announced would be the effective rates.

I do not know why the President made such a statement, unless he was trying to divide the winter wheat producers from the spring wheat producers, in an effort to create some animosity between them. All the wheat producers have signed up for the acreage reserve in both the winter wheat and spring wheat areas.

If the Secretary of Agriculture wants to reopen those contracts, he can do so. But the spring wheat producers have signed up, too. So that part of the veto message makes no sense.

I read further from the President's veto message:

There is impressive evidence that farmers stand to profit from less rather than more governmental intervention. Unsupported prices of cattle and hogs are unusually strong.

Here and in other parts of the veto message the President tried to point out that there are unsupported farm commodities that do not profit by price supports for agricultural commodities. Last year and the year before the Secretary of Agriculture gave a support price of \$1.50, or approximately that, to those who complied with the allotments for corn, and a price of \$1.25 to noncompliers. The reason for the price of \$1.25 to the noncompliers was that the cheap corn would be translated into more beef and hog surpluses, and thus would have an adverse effect upon the prices of beef and hogs.



The Secretary of Agriculture admitted that was the reason. That was the only justifiable reason he could have had for doing so.

But in the veto message which has been received today, the President takes just the opposite viewpoint, and again tries to set the producers of cattle and hogs against the producers of feed grains. Of course, the message was written by Secretary Benson.

Mr. HUMPHREY. Is it not true that all the evidence presented before the Senate Committee on Agriculture and Forestry, in the case of beef cattle and hogs and feed grains, has been to the effect that when there is a reasonable support price or a reasonable price for feed grains, that has a tendency to hold up the prices of cattle and pork products?

Mr. YOUNG. That is correct.

I do not think anyone in the agricultural field is naive enough to believe that all the cheap grain now available will not be translated very soon into an oversupply of beef and pork, and thus will depress the prices of beef and pork products. I think everyone, even including the Secretary of Agriculture, knows that. Yet the statement I read a moment ago has been included in the President's veto message. I cannot understand it.

Mr. President, I thank the Senator from Minnesota for his courtesy in yielding to me.

Mr. HUMPHREY. Mr. President, I was very happy to yield to the Senator from North Dakota. As I said earlier, and without regard to partisanship—for the Senator from North Dakota is a very true and a very effective Republican—he is, above all, a friend of his constituents, the people of North Dakota; and he is a dedicated exponent of equality of treatment for agriculture. I am proud to stand with him and to associate myself with his sincere and determined efforts in behalf of the agricultural community.

Mr. YOUNG. Mr. President, will the Senator from Minnesota yield further to me?

The PRESIDING OFFICER (Mr. PROXMIER in the chair). Does the Senator from Minnesota yield to the Senator from North Dakota?

Mr. HUMPHREY. I am happy to yield.

Mr. YOUNG. I greatly appreciate what the Senator from Minnesota has said. Perhaps if I gave a little of my background, it will be easier to understand the position I have taken. All of my life I have farmed, and I am deeply concerned about the plight of agriculture. I think I know the life the farmer lives, his adversities and all. So long as I serve in the Senate, the interests of the farmers will come first with me, and the interests of the Republican Party will come second. If I think the Republican party is wrong, I will rise on this floor and say so, regardless of whom it may hurt.

Mr. HUMPHREY. Mr. President, again the Senator from North Dakota demonstrates his integrity and courage.

Mr. President, at this time I wish to address myself to another subject.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

## CONSERVATION: A CHALLENGE AND A REEMPLOYMENT OPPORTUNITY

Mr. HUMPHREY. Mr. President, 50 years ago, this spring the first great nationwide step was taken toward the conservation of our soil, water, and forest resources. That was when President Theodore Roosevelt convened the famous governor's conference on conservation. Out of this landmark conference came the first impetus to the drive to set aside and preserve for future generations great segments of the Nation's heritage of natural resources.

Twenty-five years ago today—on March 31, 1933—another conservation-minded President, the great Franklin Delano Roosevelt, put into motion the first major, national effort toward applying conservation management practices to these nationally owned lands and also to private lands which had been permitted to deteriorate for generations. That major effort was the magnificent and now well renowned Civil Conservation Corps., which not only provided steady outdoor work opportunities for about 300,000 young men and underemployed woodsmen each year for 8 years, but also took the Nation in a giant stride forward in conservation practices. Some conservationists believe that in those 8 years of the CCC, America's conservation projects were advanced by 20 years or more, because of the concentration of money, intelligence, and young muscle on the problems of erosion, deforestation, and silting.

Then came the war in Europe and Asia, our gradual rearmament, and the draft, which put many hundreds of thousands of our young men into military service. By 1941, the CCC was no longer finding enough young men to man the corps, and the Nation turned its efforts toward expenditure of its resources in the primary task of winning World War II.

For almost two decades, since the onset of World War II, Americans have been preoccupied—first with winning the war, and later with winning the peace, establishing world order, and assisting war-torn nations to improve their economies. More recently the threat of nuclear holocaust, missiles, and earth satellites have absorbed increasing amounts of attention—and funds. Meanwhile we have seriously neglected the basic problem of conserving our American lands and waters which nourish us, clothe and shelter our civilization, and provide healthful outdoor recreation.

It is time now that we take a new look at America's conservation effort. Yes, we might call this a delayed but urgently needed inventory.

Enough years have passed since the CCC—Civilian Conservation Corps—and other conservation programs of the 1930's, to measure their value in saving and rebuilding both resources and men. Even in those difficult days, all of us were aware of the great improvements that were created in reforestation, soil-erosion control, park improvements, acquisition and development of wildlife lands, and other conservation measures. Now—20 years later—the little trees planted by the

CCC boys on cutover forest lands are developing into thrifty young forests on hundreds of thousands of acres, producing valuable crops of pulpwood, lumber, and other forest products. On once-eroding farmland many gullies have been replaced by sparkling farm ponds and gracefully sweeping strip-cropping and contour cultivation.

Over some parts of America, the landscape was greatly improved. Man proved that he could live and draw sustenance from the earth without destroying it. Some of the overgrazed rangelands of the West and some of the Dust Bowl areas were converted back into abundant grasslands through measures undertaken during the New Deal. Such conservation practices as range reseeding, gully stabilization, reforestation, and dozens of others were demonstrated to be sound investments in resource conservation.

More recently we have found ways to hold floodwaters near the headwaters of our rivers, and to convert them from a menace during rainy periods into an asset during droughts.

We have mastered enough of the principles of wildlife habitat development so that future generations will have these natural gifts preserved for their enjoyment.

It is tragic that the good start made on all these conservation measures during the 1930's had to be shelved with the coming of World War II and put on a maintenance basis—in fact, a standby basis—before the gains could be consolidated. Though no dollar-and-cents evaluation of the values of these programs has been made, few who have seen young growing forests and stabilized soils where erosion once stole fertile lands question that the money spent was a profitable, hardheaded national investment.

Good as this start was, by far the biggest job in conservation lies ahead of us. Our expanding population will need far more food, fiber, shelter, water, and recreation from the same acreages of forest, cropland, and watersheds than we have always had. It is not enough just to repair past damage to our basic resources. Rather, we must invest in the conservation practices which will provide raw materials for future generations. Further damages and losses from the resource abuses that cause forest fires, floods, and duststorms must not be tolerated.

The lessons of the CCC and other conservation programs have taught us a great deal. Research and experimentation have taught us more about how to control erosion, improve low-grade forests for quality timber production, revegetate blowing Dust Bowl soils, improve deteriorated rangelands, stabilize eroding streambanks, and many others less dramatic but equally important. We need but the vision and the will to do the job.

The Federal agencies concerned with resource management have in recent years maintained up-to-date summaries of the detail and the dimensions of the conservation problem, and this information is readily available to the President



of the United States and his Bureau of the Budget. Some of this information I have requested and received from the several conservation agencies of the executive department.

Investments in conservation programs in the United States may roughly be divided into three major groups for purposes of forward planning: First, those which provide direct future financial returns in the form of increased yields of timber, forage, and other reasonable products; second, those which are designed to prevent future soil and water losses and flood damage and to restore damaged lands to full productivity; and, third, those which will conserve and make more abundant our outdoor recreational and wildlife resources so important to our physical, mental, and spiritual health as a Nation. A grouping of this sort sets in perspective the several parts of the total conservation job.

A most important category may be found in forestry. Here the application of more intensive management will yield larger total volumes of timber in the future of higher quality and better size than might be expected if natural forces were allowed to proceed untended.

Another category exists in the revegetation and improvement of our vast western range lands. Productivity of the ranges can be greatly increased by removal of poisonous and other low-value vegetation and replacement with forage grasses and browse plants of higher palatability and nutrition for livestock grazing. Both of these—forestry and range revegetation—clearly fall into the class of profitable capital investments which will yield favorable returns on the expenditures allocated to these practices, and they will assure abundant supplies of timber and grassland for posterity.

Another group of conservation measures is that including soil conservation and erosion control practices on farmlands and the watershed areas in which they are situated. These measures are designed to repair the damages created by past mismanagement, to prevent future damages from floods and siltation of our streams, reservoirs, and harbors, and to assure that future generations of Americans will inherit productive, rather than eroded, croplands.

And finally we come to the kinds of conservation programs the benefits of which cannot be measured in terms of dollars and cents. But how very important it is to assure our people the health and happiness which only adequate outdoor recreational facilities can give us. Providing adequate recreational lands and facilities necessary for their enjoyment on our national parks, State parks, national and State wildlife refuges and fishing waters will mean investments in both improvements and extension of camping and other recreational grounds, and a considerable effort in the improvement and development of wildlife habitat and fishing grounds.

Expenditures for these purposes are necessary investments for our physical and mental health. Man cannot—in fact, does not—live by bread alone. Certainly the saying must apply to the great

nonmaterial values derived from our outdoor recreational areas.

In such a program we can avoid the mistakes so well remembered from the 1930's. By devoting our emergency resources to projects that are positive and sound and have been carefully planned by conservation agencies, we can avoid the worse than unnecessary expenditures that came when, for example, unneeded roads and truck trails were built into valuable areas of wilderness. We have a much more widely understood appreciation of wilderness now than we had 30 or 20 years ago. The nationwide interest in and support of the wilderness bill have demonstrated this clearly. We know now that the wilderness which is still available for preservation has great positive values. We cannot afford to destroy it by making it the scene for needless roads and truck trails just for the sake of spending money and making work. The program I am here advocating avoids this as well as other mistakes recognized through experience. This is a positive program giving reality to much needed and carefully planned projects.

How much is there to be done? What is the backlog of vital conservation projects?

I have asked a group of independent professional people in the conservation movement to develop a careful series of estimates of the total size and dimension of the conservation problem embracing these major categories. They have based their estimates on the latest surveys and information supplied me by the Federal agencies engaged in the separate resource fields, and upon their own studies over the past several years. We have determined the extent and size of each kind of conservation problem, and—by drawing from the experience of Federal agencies in estimating the unit costs of applying the various kinds of measures suggested to correct resource deterioration or improve resource productivity—I have suggested the dollar dimensions of the several conservation problems.

At the conclusion of a meeting of the executive committee of the Natural Resources Council of America called last week to discuss the need for acceleration of natural resources programs, the following national conservation organizations endorsed the objectives and principles of a concurrent resolution which I shall introduce in a few moments:

American Forestry Association: Kenneth Pomeroy and James Craig.

American Planning and Civic Association: Harlean James.

Citizens Committee on Natural Resources: Charles H. Stoddard and Spencer Smith, Jr.

Izaak Walton League: J. W. Penfold.

National Parks Association: Sigurd Olson and Fred M. Packard.

National Wildlife Federation: Stewart Brandborg.

Sport Fishing Institute: Richard Stroud.

Wilderness Society: Howard Zahniser.

Wildlife Management Institute: Ira N. Gabrielson and C. R. Gutermuth.

I should also like to point out that the total dimension of this program includes all of the work now being done by the conservation agencies with present appropriations—and at a scale far below that demanded by the situation.

I wish, Mr. President, to pay particular tribute to the wise leadership given by the distinguished senior Senator from New Mexico by the introduction of his bill S. 3450 on March 11. Included in the Senator's bill are increased authorizations for the National Park Service, the Bureau of Indian Affairs, the Soil Conservation Service, and the United States Forest Service bringing the total annual authorization to \$333 million for the fiscal year ending July 1, 1959, and rising to a total annual authorization of \$729 million by 1963.

This forward-looking public works program includes nearly all of the measures which are covered in these estimates and fits well within the total framework of the conservation objectives facing our whole Nation. In looking as far ahead as it is reasonably possible to look—and conservationists make this their first order of business—we have an opportunity to define more clearly what our conservation objectives are and where our present planning and programs fit into the task before us. I feel that it will be a help to the Congress in judging the adequacy of budgetary requests made by the administrative agencies in the future to have independent standards of comparison.

Mr. President, I should like to outline briefly the significant problems of basic resource conservation by each of the major categories: forest, western grass and range lands, soil and water conservation on farmland park and recreational area development, and fish and wildlife conservation.

#### FORESTRY

The United States Forest Service recently issued a comprehensive survey of our Nation's forest resources known as the Timber Resources Review, which sets forth not only the present condition of forests and forest lands but also an estimate of timber requirements of our future populations as far ahead as the year 2000. Because it takes several scores of years to grow merchantable timber, we must make decisions and investments in forestry now if the generations living at the end of the present century are to have adequate timber yields.

Briefly the Forest Service found that we shall need to increase our annual growth of timber from the present 14 billion cubic-foot level up to 21 billion cubic feet if all Americans are to have at least as much timber for housing and other needs in the year 2000 as we have today. It found that this would mean increasing the average growth per acre from 29 to 45 cubic feet—during the next 40 years—a feat easily possible by more intensive forestry practices because our present growth rate is considerably below capacity.

The Forest Service found that 275 million acres of growing forest are understocked or in otherwise poor condition



be \$25, again in addition to the \$39 it contributed under the basic formula.

Thus, no State action is needed to obtain the 25 percent increase.

In order to discourage the States from decreasing their own contribution, I have provided that a State will receive no bonus at all if its own average monthly payment drops from the previous year.

There is no certainty that my proposal will work out as I intend that it should.

The junior Senator from Louisiana [Mr. Long] has labored valiantly to perfect language to assure that recipients will benefit from an increase in Federal contributions to public assistance and not just State treasuries. I understand that he has not been satisfied that any of the proposals that have been offered are certain to accomplish this.

I realize that this proposal does not give the most to those receiving the least. It would revise benefits proportionately, instead of trying to equalize them. The equalization principle is found in the basic formula and I think an across-the-board percentage increase for all States would be salutary simply in itself and also in encouraging the States to improve and raise their own contributions.

It is quite possible that the State agencies that administer public assistance will have some criticism of this proposal. I invite them to come forward with it. I hope hearings can be held by appropriate Committees on both sides of the Capitol on this matter.

Under this section, the Federal bonus of 25 percent of the combined Federal-State effort would apply to all public assistance programs to which the Federal Government now contributes, including aid to the blind and aid to dependent children.

Of course this money would come out of general appropriations, since it is not a part of the old-age and survivors insurance system.

I believe we must make these changes in our social security plan in order to keep it up to date and to keep it responsive to the ideals of our country. The goal for such a program has been well-stated by one of its founders, the great Edwin E. Witte, who wrote:

Those who believe in social insurance, as I do, see in it a bulwark for a free economy and a democratic government. They regard the increasing attention given social security the world over as a necessary, perhaps an inevitable, consequence of an aging population, of industrialization and urbanization, of technological progress and the advance of science and medicine, of rising standards of living and a growing concern for the unfortunate and underprivileged. To them, social security means not a feather bed provided at public expense, but a net to catch those who fall, or rather, a floor which will assure all Americans in all contingencies of life a minimum income sufficient for an existence in accordance with prevailing concepts of decency. Anything above such a minimum, the citizens must still provide for themselves.

Mr. President, I urge the appropriate committee to give early consideration at hearings to my proposals, because I am certain of one thing: Submit this issue to the American people, and an overwhelming majority of them will vote for

at least as much as I have included in my social-security bill. Many of them will say, "You have not gone far enough."

But, in my opinion, this is the correct approach. It constitutes steps in the right direction. I hope we can get action on it before this session of Congress adjourns.

Mr. President, I now turn for a few minutes to another subject.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

#### STAY IN REDUCTION OF SUPPORT PRICES—VETO MESSAGE

Mr. MORSE. Mr. President, the veto today by the President of the United States of the price-freeze legislation recently passed by the Congress will be discouraging news to the farmers of the Nation.

The Governor of Oregon, in a recent telegram on another matter, had reference to the \$80 million farm labor payroll and the \$64 million farm crop processing labor payroll, of my State. The action of the Executive, upon the advice of his Secretary of Agriculture, in vetoing legislation passed by both House and Senate with bipartisan support, will undoubtedly have adverse repercussions upon the farm economy payrolls of Oregon and most other agricultural States.

The Oregon dairy farmer, together with the wheat farmer of eastern Oregon, can best appreciate what this action will cost. Dairy price-support freeze provisions of the vetoed measure were designed, in part, to counter the action of the Secretary, scheduled for tomorrow, in lowering dairy supports.

I sincerely hope that Secretary Benson will not compound the injury to dairy farmers given by this veto, through an ill-advised and stubborn attempt to follow through by persisting in the lowering of dairy supports. To do so is to drive further toward bankruptcy the hard-working men and women upon whom each of us is dependent for the milk we daily drink and the butter on our bread.

My office was advised at 2:30 p. m. today, by Mr. Marvin L. McClain, an Assistant Secretary of Agriculture, that, as of that time, the position of the Secretary remains that he still stands by his guns, and will proceed with the lowered dairy supports. It is a tragic mistake, which while there is yet time, should be avoided by the Secretary.

All the verbiage of the veto message aside, Mr. President, the veto means in all simplicity, that this Eisenhower administration is determined to cut support price levels. To cut price support levels now is particularly harmful to the wheat and dairy farmers of Oregon.

I know that some apologists for the President will point to the recent statistics of a 4 percent rise in farm income, as a justification of the administration policy. If we go below the glittering generality of that figure, Mr. President, what do we find? In the first place, the administration is claiming credit for an act of God—a frost that ruined many truck farmers. The Department of Agriculture figures which were supplied

to me over the telephone at my request show that with respect to tomatoes for example, there has been a price rise of \$8.80 per hundred. Last March the growers stood at \$7.50 per hundred. This March the price is \$16.30 per hundred. Last March 30,000 carloads were shipped from Florida. This March carload shipments are estimated to be only 14,000.

Meat output accounts in the second place for a good portion of the rise, beef now brings to the farmer about \$21.70 per hundred as opposed to the \$16.00 a hundredweight of a year ago. Hogs have risen from \$16.80 a hundred of a year ago to their present price of \$20.30.

These are important gains to farm income, but of what relevance are they to the wheat and dairy farmer? If supports are gone in these strategic areas can we not expect to see a drastic reversal of these encouraging price trends? The dairy farmers who go bankrupt and whose herds are sent to market for slaughter—for who would want to buy them for their highest use—milk?—will get comparatively little for them as cutter and canner grade beef, and this excess of lower-cost beef will undercut the price for higher grade meat.

As unemployment insurance payments run out, it does not take a particularly astute prophet to foretell that meat and milk products will vanish at an ever-increasing rate from the dinner tables and the supper tables of a great many American families. The rise in potato prices, which is definitely not a seasonal one, from \$1.76 in January to their present status of \$3.25 a 100 pounds, may be a grim warning of what is to come.

However that may be, I am certain that the wheat and dairy farmers of the Nation whose price support floor has been jerked out from under them and who face a sharp decline in income by this veto action will be mighty poor buyers of automobiles, farm equipment, or home appliances for too long a time. We have an interlocked economy, and when one segment is hurt, the cash registers of all other areas note the difference and start to sing a sorry muted tune.

Mr. President, I deplore this veto by the President as bad policy based upon bad advice. The responsibility for it is crystal clear. The farmers of my State are literate, and their analysis of this act of the Executive will result, in my judgment, in a clear rejection of the administration policy at the November polls.

#### THE TEXTILE INDUSTRY NEEDS HELP

Mr. JOHNSTON of South Carolina. Mr. President, it is self-evident that America, as the leader of the free world alliance, must remain strong. We must be strong spiritually, morally, militarily, and economically.

We need a thriving, prosperous Nation, with production in full gear to support the military system essential to our survival in freedom in this missile age.



Mr. President, it behooves us, therefore, to look to our economic situation so that we will have a flourishing economy to develop our fullest strength and widen our influence in the family of nations.

I make these few preliminary observations so that we may have clearly established the proposition that those who labor for the prosperity of certain fundamental American industries are at the same time serving the national interest.

Only too often is there loose criticism that those who seek the protection of vital American industries are shortsighted, are unaware of international problems, are working against our Nation's best interests.

As a matter of fact, quite the reverse is true: We serve the cause of freedom and global security best by husbanding our prime industries and by keeping our people working so we can assist the grand alliance which works to thwart aggressors.

One of the greatest boons the Kremlin can have is a depressed, run-down America; the greatest asset the free world can possess is a dynamic America, going full blast with its productive power. We have the responsibility of being vigilant of our essential industries, the economic springs which feed our business and industrial systems.

Mr. President, at this time I refer to the textile industry which actually is of the roots of our economic system. It is in sound self-interest that we be solicitous of this great industry. Historically, it is an integral part of the American scene.

Mr. President, textiles are literally woven into the fabric of American history. Every schoolchild knows the part which the spinning wheel and the loom played in the life of our Republic from its earliest days down to the present. We should regard the textile industry as an old friend, tried and true.

This old friend, the textile, is in trouble, and it needs our attention and help.

It is in trouble, for one reason, because of the flood of textiles from Japan, a flood which has swept away the equitable safeguards of quotas which were voluntarily assumed by Japan.

Mr. President, let me say at once that I am well aware that the Japanese people have their own problems; that the Japanese nation is struggling to be successful economically; that Japan is our ally in the vitally important Pacific.

I know that it would not be wise or sound business for us to pursue policies which would choke off Japanese industry, or stifle that country's seriously needed trade. All of these matters have had consideration by our Government, at top levels; these matters have been well discussed by the respective parties. The problem of textile quotas has been approached with understanding and in a spirit of mutuality. It was in a spirit of equity, fairness, and mutuality that the textile quotas for Japan were established. And it should be a matter of equal concern that the agreement be kept. Unfortunately the evidence is impressive that the quotas are being violated.

Mr. President, the Eisenhower administration should use its powers to correct

this situation, for healthy international trade requires a proper balance. It would be well for us to keep uppermost in our minds that when the late Cordell Hull sponsored the Reciprocal Trade Act in 1934, his basic aim was to better America's export position. Unfortunately, over the years, the fine purpose of this great American has been lost through maladministration.

Mr. President, it is of vital interest to our Nation that the textile industry be restored to sound health, for apart from what it contributes to our national economic well-being, it is an important partner to our Armed Forces.

It is of real significance that during World War II, the United States Armed Forces required more than 10,000 different types of textile items. We cannot afford to let such an industry lag in the doldrums or languish unattended. Rather, it is in the national interest to repair the damage at the earliest possible moment.

Mr. President, here are some pertinent textile facts that warrant attention and consideration:

Since 1950, employment in textiles in the United States has declined by 344,000 jobs. To this figure, of course, can be added the figure for employment loss in affiliated industries and in service industries. For instance, the cotton industry alone purchased \$2 billion worth of materials annually from the chemical industry.

The United States Government itself last year spent \$88 million in the purchase of foreign-manufactured textiles. The irony of all this is that United States tax dollars were used to finance foreign competition against American textile firms.

Japan's cotton industry is able to buy American cotton 20 percent cheaper than the American textile manufacturer can buy it; in addition, the Japanese textile manufacturer gets the benefits of machinery which our Government helps pay for, and he has the advantage of labor that works for one-tenth of the wages paid in the textile industry in the United States. The products of this United States-subsidized Japanese textile industry are then permitted to flood the American market, further depressing the domestic textile industry. This costly, inequitable competition goes on unchecked and unabated, while our national jobless toll soars toward the 6 million mark.

Mr. President, matters have not been helped by the action taken by our Government on September 10, 1955, when the tariff rates on many cotton products were reduced, in some instances up to 50 percent.

Whether in New England or along the middle Atlantic seaboard or in the South, the textile picture is the same. The industry is depressed and struggling for survival. Layoffs and liquidation continue to be the order of the day.

Mr. President, the condition of the American textile industry warrants a thoroughgoing reappraisal. Thought ought to be given to expanding the Tariff Commission and giving it independent status, so it can be responsible to the

will of Congress. Certainly Congress has not willed the present distress of textiles, nor can Congress idly abide this distressed condition.

Mr. President, the best interests of our country require official changes in trade policy and administration to revive and strengthen the United States textile industry.

Mr. President, I hope the administration will awake from its slumber and will do something to relieve the textile industry of the situation which faces it at the present time.

#### TULELAKE AREA—MINIMUM WHEAT ALLOTMENT

Mr. SMATHERS. Mr. President, I move that the Senate proceed to the consideration of Calendar 1442, Senate bill 3120, to exempt the production of durum wheat in the Tulelake area of California.

Mr. COOPER. Mr. President, I have no objection.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). The question is on agreeing to the motion by the Senator from Florida.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 3120) to exempt the production of durum wheat in the Tulelake area, Modoc and Siskiyou Counties, Calif., from the acreage allotment and marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, which had been reported from the Committee on Agriculture and Forestry with an amendment to strike out all after the enacting clause and insert:

That section 334 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof a new subsection as follows:

"(1) Notwithstanding any other provisions of this act the Secretary shall increase the acreage allotments for the 1958 and 1959 crops of wheat for farms in the irrigable portion of the area known as the Tulelake division of the Klamath project of California located in Modoc and Siskiyou Counties, Calif., as defined by the United States Department of Interior, Bureau of Reclamation, and hereinafter referred to as the area. The increase for the area for each such crop shall be determined by adding to the total allotments established for farms in the area for the particular crop without regard to this subsection, hereinafter referred to as the original allotments, an acreage sufficient to make available for each such crop a total allotment of 8,000 acres for the area. The additional allotments made available by this subsection shall be in addition to the national, State, and county allotments otherwise established under this act, but the acreage planted to wheat pursuant to such increased allotments shall be taken into account in establishing future State, county, and farm acreage allotments. The Secretary shall apportion the additional allotment acreage made available under this subsection between Modoc and Siskiyou Counties on the basis of the relative needs for additional allotments for the portion of the area in each county. The Secretary shall also allot such additional acreage to individual farms in the area for which an application for an increased acreage is made on the basis of tillable acres, crop rotation practices, type of soil and topography, and taking into account the original allotment for the farm, if any. No producer shall be eligible to participate in the wheat acreage











# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued April 18, 1958  
For actions of April 17, 1958  
85th-2d, No. 59

## CONTENTS

Acreage allotments....10,33		
Adjournment.....7,20		
Agricultural appro- priations.....8		
Appropriations.....8,17,19		
Area redevelopment.....9		
Conservation.....22		
Cooperatives.....21	Lands.....23	Research.....30,35
Country life.....13	Legislative program...5,19	School lunch.....12
Daylight saving.....18	Livestock.....25	Small business.....4
Electrification.....21	Marketing quotas.....33	Statehood.....28
Farm program.....26	Pay raises.....1	Stockpiling.....16
Fire ants.....27	Postal rates.....1	Tobacco.....25
Flood control.....10	Poultry inspection.....14	Trade agreements.....3,31
Foreign aid.....2,15	Price supports.....10,26	Transportation.....24
Forestry.....22,35	REA.....11	Watersheds.....32
4-H Clubs.....29	Reclamation.....5	Wildlife.....34

HIGHLIGHTS: Senate subcommittee ordered reported agricultural appropriation bill. Senate committee ordered reported area redevelopment bill. Senate referred to Agriculture Committee President's veto message on price support freeze measure. Sen. Johnston urged expanded REA program. House committee approved classified employee pay bill.

## HOUSE

1. PAY RAISE. The "Daily Digest" states that the Post Office and Civil Service Committee:

"Approved legislation to provide a 10-percent salary increase for 1,032,236 Federal employees by amending Senate-passed bill S. 734. The salary increase applies to employees in the classified service, Foreign Service, Veterans' Administration Department of Medicine and Surgery, and the legislative and judicial branches. Every employee will receive a 10-percent increase in his present salary. This legislation also authorizes corresponding increases in the salaries of Federal and District of Columbia employees whose rates of compensation are fixed administratively according to law. The salary increases generally will be retroactively effective as of the first pay period which began on or after January 1, 1958. Cost, \$535,848,749 annually." p. D318

The "Daily Digest" also states that conferees met on H. R. 5836, the postal rate and pay increase bill, "but did not reach final agreement, and will meet again on Monday, April 21." p. D319



2. FOREIGN AID. Rep. Gubser spoke in favor of continuing the foreign aid program, stating that "foreign aid is a sound investment on the part of the American people from both a military and an economic point of view." pp. 5980-82
3. TRADE AGREEMENTS. Several Representatives discussed the merits of extending the reciprocal trade program. pp. 5984-6009
4. SMALL BUSINESS. Rep. Patman spoke in favor of legislation to create a Small Business Capital Bank System to aid small businesses and inserted Mass. Governor Furcolo's recent testimony favoring such legislation. pp. 6009-10
5. RECLAMATION. Both Houses received from Interior a copy of the study, "Financial and Economic Analysis, Colorado River Storage Project and Participating Projects, February 1958"; to Interior and Insular Affairs Committee. pp. 5921, 6015
6. LEGISLATIVE PROGRAM. Rep. Albert announced that the consent calendar will be called Mon., Apr. 21. p. 5972
7. ADJOURNED until Mon., Apr. 21. p. 6015

SENATE

8. AGRICULTURAL APPROPRIATION BILL. The Subcommittee ordered reported with amendments H. R. 11767, the agricultural appropriation bill, to the full Appropriation Committee, which is to consider the bill today, Apr. 18. p. D315
9. AREA REDEVELOPMENT. The Banking and Currency Committee ordered reported a clean bill to provide, in HHFA, authorization for designating certain areas as industrial or rural redevelopment areas, with \$100 million in a revolving funds for loans to rural redevelopment areas, and other funds for public facilities grants and technical assistance, and with vocational training and retraining subsistence payments for the unemployed. p. D316
10. PRICE SUPPORTS; ACREAGE ALLOTMENTS; ~~FLOOD CONTROL~~. The President's veto messages were referred to committees for study and action; S. Res. 162, to prohibit reductions in price supports and acreage allotments, to the Agriculture and Forestry Committee, and S. 497, the rivers and harbors and flood control bill, to the Public Works Committee. Sens. Johnson, Knowland, Thyne, Mansfield, Ellender, Dirksen, and Proxmire discussed the question of overriding the vetoes and the nature of the economic situation today. pp. 5918-21
11. REA. Sen. Johnston commended the work of REA and urged that its program be expanded to service the growing demand for such facilities which, he stated, "doubled every 5 to 7 years." pp. 5946-7
12. SCHOOL LUNCH. Sen. Proxmire urged an expanded school lunch program to give adequate food to children and dispose of our over-abundant supplies. He inserted a review of the school lunch program from a labor magazine. pp. 5959-60
13. COUNTRY LIFE. Sen. Aiken's name was added as a cosponsor of S. 3596, to establish a Country Life Commission. p. 5924
14. POULTRY INSPECTION. Sen. Murray commended the poultry inspection law and inserted a statement on local laws and ordinances by the Public Health Ass'n. pp. 5938-41





# Congressional Record

United States  
of America

PROCEEDINGS AND DEBATES OF THE 85<sup>th</sup> CONGRESS, SECOND SESSION

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No. 59

## Senate

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father, God, for the beauty which fills the earth, for the love which hallows our homes, for the joy which springs from work well done, we thank Thee, from whom all blessings flow.

Our gladness is shadowed as we come this new day to the problems and tasks which here await. So often in this Chamber our hearts are saddened by the sudden departure of those who, by the people of their State, have been given a place in this body. Having answered every call of duty across long years of devoted service, they join those who answer not, however we may call.

This day we mourn the loss of one who, before his faithful tenure here, served his State in other fields with vision and devotion; who was from the common people, and of them; and who put the common good before all other concerns. We rejoice today that this son of North Carolina, so calm in his outward demeanor, yet so dynamic in his energetic spirit, lifted the fellowship and the interests of Thy church above his highest joy, and that crowded years found him always faithful in her worship, where his soul was fed, and in her councils, where he had an honored place.

We pray that the sorrowing family of this good workman, who needed not to be ashamed, may know, in this hour of their loss, the consolation of Thy grace and of the faith which their dear one kept, as he fought the good fight. And after the fever and fret of our brief day, bring us all to the homeland of Thy eternal love: We ask in the dear Redeemer's name. Amen.

### THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, April 16, 1958, was dispensed with.

### MESSAGES FROM THE PRESIDENT— APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated

to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On April 3, 1958:

S. 3262. An act to authorize certain activities by the Armed Forces in support of the VIII Olympic Winter Games, and for other purposes.

On April 7, 1958:

S. 1082. An act for the relief of Katina Apostolou;

S. 2062. An act for the relief of Yasna Trevizan;

S. 2120. An act to authorize the Secretary of the Interior to construct, rehabilitate, operate, and maintain the lower Rio Grande rehabilitation project, Texas, Mercedes division; and

S. 2124. An act for the relief of Tasia J. Somas.

On April 11, 1958:

S. 1386. An act to authorize the Interstate Commerce Commission to prescribe rules, standards, and instructions for the installation, inspection, maintenance, and repair of power or train brakes;

S. 1562. An act for the relief of Winifred C. Lydick;

S. 1740. An act to authorize the payment from the Employees' Life Insurance Fund of expenses incurred by the Civil Service Commission in making certain beneficial association assumption agreements and to extend the time for making such agreements;

S. 1877. An act for the relief of Louis G. Whitcomb; and

S. 2132. An act for the relief of Leonard C. Fink.

### EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting several nominations, which was referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 2767) to amend section 161 of the Revised Statutes with respect to the authority of Federal officers and agencies to withhold information and limit the availability of

records, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 77) to extend greetings to the Federal Legislature of the West Indies.

### HOUSE BILL REFERRED

The bill (H. R. 2767) to amend section 161 of the Revised Statutes with respect to the authority of Federal officers and agencies to withhold information and limit the availability of records was read twice by its title and referred to the Committee on the Judiciary.

### COMMITTEE TO ATTEND FUNERAL OF THE LATE SENATOR W. KERR SCOTT OF NORTH CAROLINA

The PRESIDENT pro tempore. Pursuant to the second resolving clause of Senate resolution 290, agreed to on April 16, 1958, the Chair appoints as the committee, on the part of the Senate, to attend the funeral of W. KERR SCOTT, late a Senator from the State of North Carolina, the following Senators: Mr. CARLSON, Mr. CARROLL, Mr. CHAVEZ, Mr. COTTON, Mr. EASTLAND, Mr. ELLENDER, Mr. ERVIN, Mr. FREAR, Mr. HOLLAND, Mr. JOHNSTON of South Carolina, Mr. KENNEDY, Mr. LAUSCHE, Mr. REVERCOMB, Mr. RUSSELL, Mr. STENNIS, Mr. TALMADGE, and Mr. YOUNG.

### THE COMMUNITY FACILITIES ACT OF 1958—REPRINT OF BILL

Mr. WATKINS. Mr. President, yesterday during the consideration of S. 3497, the Community Facilities Act of 1958, the Senate adopted an amendment, proposed by me, inserting on page 4, line 14, after the word "employment," a comma and the words "and by the then current urgency of the need for construction, repair, or employment of non-profit hospitals."

The bill, after its passage, was so engrossed. It appears that the use of the word "employment" in the amendment was a clerical error, and that the word "improvement" should have been used in lieu thereof.



I therefore ask unanimous consent that the Secretary be authorized to have a star print made of the bill showing the correction as above indicated.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Utah? The Chair hears none, and it is so ordered.

#### REFERENCE TO COMMITTEES OF VETO MESSAGES ON FARM JOINT RESOLUTION AND RIVERS AND HARBORS BILL

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President's veto message on the agricultural joint resolution (S. J. Res. 162) be referred to the Committee on Agriculture and Forestry for study and action.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President's veto message on the rivers and harbors bill (S. 497) be referred to the Senate Committee on Public Works for study and action.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I have just asked and obtained unanimous consent that the two veto messages from the President, which are before the Senate, be referred to the appropriate committees, for hearings. I should like to make a brief statement about my reasons for the request.

There is no intention on the part of the leadership to have the Senate act precipitately or hastily on these matters. In both messages there are many points which are difficult to understand.

But we believe the President should have his "day in court." Of course, there is a difference in philosophy regarding agriculture between a majority of the Members of Congress—a majority which represents both parties—and the Secretary of Agriculture, Mr. Ezra Taft Benson.

Many of our farmers feel a sense of loss. They do not object when the Secretary of Labor does a good job for labor. They do not object when the Secretary of Commerce does a good job for business. They do not object when the Secretary of the Treasury does a good job for bankers. But our farmers do feel bewildered that the Secretary of Agriculture should have authority to force farm prices lower, when farm income has declined 21 percent since 1952.

I ask unanimous consent to have printed in the RECORD at this point in my remarks a table from the President's 1958 Economic Report, showing the sources of personal income in this country.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Sources of personal income from President's 1958 Economic Report, p. 129

[Billions of dollars]

Year	Labor income <sup>1</sup>	Business and professional	Rental income of persons	Dividends	Personal interest income	Farm income
1952---	190.3	25.7	9.9	9.0	12.3	14.3
1953---	203.4	25.9	10.2	9.3	13.7	13.9
1954---	201.7	25.9	10.6	9.9	15.0	12.2
1955---	217.3	27.3	10.2	11.0	16.1	11.6
1956---	234.8	28.0	10.3	11.9	17.6	12.1
1957 <sup>2</sup> ---	246.6	28.7	10.4	12.3	18.8	11.5

<sup>1</sup> Wage and salary disbursements and other labor income excluding employer contributions for social insurance.

<sup>2</sup> Preliminary.

Mr. JOHNSON of Texas. Personally, I feel that the President's veto of the farm resolution was based upon misunderstandings. But I have a great and a high respect for the office of the Presidency. I feel that the President's words should be considered with greatest care by the appropriate committees of this body.

I have asked the chairman of the Senate Committee on Agriculture and Forestry, when the veto message is received by his committee, to ask the members of the committee to go over the message word by word. I am asking that they obtain the viewpoints of those directly affected, especially the farmers, who must live with the situation which has been created. The hearings, I trust, will be thorough and will be deliberate; and I trust that action will follow.

There should be a similar "day in court" for the President's views on the omnibus rivers-and-harbors bill. Again, I feel that some of the President's views were based upon a misunderstanding of some of the facts.

One of the most important of those facts is that we accord different treatment to different people in the same field. Since the end of World War II, we have authorized loans of \$17,782,000,000 to foreign countries. We have actually loaned to those countries \$15,048,000,000. Just a few weeks ago the Congress, upon the recommendation of the President, voted to provide an additional \$2 billion in lending authority for foreign nations, through the Export-Import Bank. We approved that measure without even a crippling amendment being offered in regard to such things as the interest rate. We passed that measure in the spirit of trying to expand, rather than contract, national economies.

The Senate and the Senate's Committee on Foreign Relations presently have before them the President's recommendation on the so-called mutual-aid bill or foreign-aid bill. The President has requested \$3,942,000,000 for the coming year, as contrasted with \$2,768,000,000 last year—an increase of approximately \$1,200,000,000 in foreign aid, in grants and loans to foreign countries, for the next year.

Mr. President, there must be a foreign-aid bill which provides grants and loans; let us make no mistake about that. The bill must be adequate to the legitimate objectives of American foreign policy; let us make no mistake about that. In the name of humanity and commonsense, we cannot turn our backs on a world of which we are a part.

But let us not set one standard for Americans and for the loans which are made to our own people, and another standard and another criterion for the loans which America is to make to the people of other countries of the world.

The projects covered by these foreign aid bills—and the projects range from Afghanistan to Western Europe—are not to be built according to specified benefit-cost ratios. They will not be compelled to meet standards which the Congress has required for American projects.

Mr. President, these are factors which I hope the committees and the Senate will take into account before they act.

Because of my deep respect for the office of the Presidency, I am desirous he should have his day in court. I am asking the chairman to call together the Public Works Committee and go over the message word by word. I hope the committee will call witnesses, especially our new Budget Director, if he can find time to return to Washington from speaking tours.

I hope we will also hear from the communities which are affected by the veto message.

Mr. President, I will conclude by saying I cannot help but feel that a status quo philosophy, a policy of letting things ride, of sitting things out, portends trouble for America.

I deeply regret that these measures have been vetoed. I am very much pleased that the President did not follow that action in connection with the enlightened highway program. But it seems to me that these veto messages must have careful and thorough consideration, and that the Executive should have a full opportunity to explain the justification for the action recommended.

The people in the States and in the local communities, and the 20 million who live on the farms, should also have an opportunity to express their views. They should have every chance to express their opinions to Congress. Then the Senate will be able to consider these measures judiciously and consider them in perspective.

I hope the chairmen of the two committees can proceed with hearings at a very early date and make such recommendations to the Senate as in their judgment are justified.

Mr. KNOWLAND. Mr. President, I have listened with interest to the remarks of the distinguished majority leader. Of course, if his remarks were meant to ap-



ply to the President as having a policy of sitting things out, I do not believe they are applicable.

The President of the United States is a great American. He carries heavy responsibilities, perhaps heavier responsibilities than are carried by any person on the face of the earth today. He has been mindful of the problems facing our country in the field of national defense, in the grave threats which confront the future of a free world of free men, and in the economic dislocations which have taken place in the United States.

The President has proposed to the Congress a program for the acceleration of our national defense, for the protection of the United States and to meet the responsibilities we have in the world. He has approved legislation, passed by substantial bipartisan majorities, for the acceleration of our housing program. He has signed into law the bill dealing with highway construction, though, with his usual frankness and candor the President of the United States, has pointed out, and properly so, a phase of that program which he would have preferred not to see in it. He felt despite that factor he was justified in signing of the bill which will accelerate the highway program.

He has made recommendations in his budget message, and in supplemental bills which have come before the Congress, for the acceleration of certain of our public works projects which can be undertaken and be beneficial to the economy of the country and of assistance in providing employment. He has recommended to the Congress of the United States that it promptly consider the question of unemployment reserves—

Mr. JOHNSON of Texas. Mr. President, will the Senator yield at that point?

Mr. KNOWLAND. I shall yield in a moment.

Mr. JOHNSON of Texas. I should like to make an announcement on the point the Senator has just mentioned, if he will yield to me.

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. Shortly before we left for our Easter recess—I believe the date was March 19—the President made a recommendation, which I presume had been underway since Congress assembled in January, in connection with unemployment compensation legislation. As all Members of Congress know, such legislation must originate in the other body. Legislation had been introduced in the other body, some 2 weeks before the President's recommendation, by the majority leader of that body, Representative McCORMACK. I am informed the committee has held hearings on that question following the Easter recess, and that they expect to act promptly.

As I stated earlier in the day to the minority leader, and I think all Senators should be on notice of the fact, I am hopeful as soon as the Senate receives proposed legislation from the House on that subject, the appropriate Senate committee, the Finance Committee, will immediately set hearings and take such action as in their judgment is warranted.

The majority leader of the other body of Congress had introduced proposed legislation, and the committee was considering it, before the President's recommendation was received the latter part of March. I think it is reasonable to conclude that they have acted with dispatch if they are ready to proceed to the consideration of the proposed legislation on the floor. I notify the country, and I am sure I will be joined in this by the minority leader, that we are going to ask the committee to act as expeditiously as possible.

Mr. KNOWLAND. I certainly join in the hope that the committee will hold hearings, and will give to those who want to be heard an opportunity to be heard, and will report to the Senate proposed legislation after appropriate hearings.

I wish to conclude by saying that many problems confront our country, both at home and abroad. I believe the solution of those problems will need, not only the consideration of the President of the United States, but, of course, of the coequal branch of the Government, represented by the Congress, of which this body is one part. These problems should not be met on any narrow, partisan basis. Both the President and the Congress have a responsibility to 170 million Americans.

Despite the economic dislocations which have taken place, more than 61 million Americans are gainfully employed. Some remarks were made on the floor of the Senate yesterday, by a Member on the other side of the aisle, which indicated that this great Nation had economically come to its knees. In view of the fact that more than 61 million persons are gainfully employed, that the United States still has the greatest productive capacity of any nation on the face of the earth, and considering the developments which are now taking place, the legislation which has been passed and approved, with the cooperation of the executive branch, and the Congress, it is clear that the economy of America has not come to its knees. This is no time to sell America short.

Mr. THYE. Mr. President, will the Senator yield?

Mr. KNOWLAND. Yes, I yield.

Mr. THYE. Mr. President, I want fully to concur in the remarks made by the distinguished minority leader.

I was in my State all Easter week. I visited in the western and southern parts of the State, as well as in the Twin Cities areas. There is optimism.

In some areas of my State the agricultural income has greatly improved. That is true in areas where farmers are feeding cattle and hogs. There the farmers and community centers have a feeling of confidence and security.

In the areas where agriculture is predominantly dairying and poultry, the people were not quite so optimistic as were the people in areas where the cattle were being fed. In the main, however, though we know we have a little recession—there can be no question about that—it is not a depression. We can bring ourselves out of the trouble in a matter of months, if we set our minds and our intentions to improving the Na-

tion's economy. Those who are unemployed should be put back to work.

I simply want to express my concurrence in the remarks of the distinguished minority leader about the state of our economy.

Mr. KNOWLAND. I wish to thank the distinguished Senator from Minnesota.

Mr. MANSFIELD. Mr. President, I have listened to the statements of the distinguished minority leader, the distinguished majority leader, and the distinguished senior Senator from Minnesota.

All I have to say is that when we have approximately 5.3 million people out of work, with very little prospect for relief in sight, we are in a pretty serious situation. As I recall, the distinguished minority leader voted for every antirecession measure which has passed the Senate, with the exception of the farm program, and that includes the omnibus rivers and harbors bill which was vetoed by the President of the United States.

I do not think we can set up straw men and knock them down. I think we ought to face up to the facts of life and get away from the issuance of statements. We should continue the policy which the Senate has entered into since the beginning of the present session, which is an attempt to get something done in a constructive, bipartisan manner, which will be of benefit to the people as a whole.

I express the hope that when the farm veto message and the rivers and harbors veto message are referred to the appropriate committees, those committees will submit reports recommending that the Senate override the Presidential vetoes, because, as one Senator, I am ready, able, and willing at any time to vote to override a veto of the President of the United States on farm freeze legislation and on the omnibus rivers and harbors bill as well. Those were constructive pieces of legislation.

Mr. THYE. Mr. President, will the Senator yield to me?

Mr. MANSFIELD. I yield to the Senator from Minnesota.

Mr. THYE. Mr. President, as the third-ranking Republican of the Senate Committee on Agriculture and Forestry, I assure my distinguished friend from Montana that if the Presidential veto message on the agricultural joint resolution is placed before the Senate Committee on Agriculture and Forestry—

Mr. MANSFIELD. It will be.

Mr. THYE. Then I shall be one who will support a recommendation to refer the bill back to the Senate with a recommendation that an effort be made to override the veto. I feel strongly that is a step which would be desirable in order to bolster the farmers' buying power. The farmer is one of the largest buyers of industrial output. Today tractors are the means of power on the farms of our land, and tractors are part of the industrial output. The farmers do not use horses, mules, or oxen to till the land any more; they use tractors. The farmers use power fuel from the petroleum wells. They use combines. They use much heavy machinery to till the land.



The farmer today is using the industrial output of the plants of America. I know of no immediate step which would improve the economy of our industrial centers more than a strong purchasing power on the part of the average farming community.

Mr. MANSFIELD. The Senator is absolutely correct.

Mr. THYE. As to the rivers and harbors bill, I shall again inform my distinguished friend from Montana that I shall endeavor to have that measure brought before the Senate. I think the veto message should be overridden. The proposed rivers and harbors legislation has an effect in my State, since some of the most important flood-control projects for which it provides are in my State. Those projects have been approved by the Army engineers. Their economic worthiness is beyond question, and so is their value in eliminating hazards caused by floods, which have occurred so often.

As one Senator who has just finished praising the minority leader, because I think it is necessary we speak encouragingly and not act as if we had lost all hope for the future, insofar as the economic affairs of this great Nation are concerned, I make these statements. I have not lost faith. I have seen recessions before. I have seen them under the Truman administration, as well as under this administration. None of us ran for cover then. I shall not run for cover now.

I say that on the question of overriding the vetoes, I may depart from some of my friends on this side of the aisle, because I feel strongly about both of those legislative measures which have been vetoed.

Mr. MANSFIELD. Mr. President, I compliment and commend the distinguished senior Senator from Minnesota for speaking his mind so forthrightly as he has. I think he is on the right track. I recall that the Senator from Minnesota voted for both the measures we are discussing.

Mr. THYE. The Senator is correct.

Mr. MANSFIELD. Those measures were in the interest of the people as a whole.

Mr. THYE. The Senator is correct.

Mr. MANSFIELD. I recall to the Senator and to the Senate a fact which is well known: Recessions and depressions in this country are usually farm bred and farm led. Unless we do something to stop the 21-percent decline in prices which the farmers are receiving, to which the majority leader referred this morning, I am afraid we shall have a long way to go before we work ourselves out of this recession.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. KNOWLAND. To my distinguished friends on the other side of the aisle and on this side of the aisle, who serve on both the very able committees to which the veto messages have already been referred, I should like to say that I hope they will withhold judgment until they have heard all the testimony pro and con. I hope they will not act in the manner told in a story of

the early West. Someone asked, "What are we going to do with this fellow?" The answer, "Well, we are going to give him a fair trial before we hang him."

I hope that Senators will at least listen to the arguments and will examine the record as to agricultural prices and note some of the very definite improvements which have taken place since the abandonment of the old fixed high support prices. Certainly there are elements in our agricultural economy which are not all of a pessimistic nature.

I hope that at least Senators will get a balanced diet, not a one-sided one.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield to me?

Mr. MANSFIELD. I yield.

Mr. JOHNSON of Texas. First, I want to concur wholeheartedly in what the able minority leader said about the nonpartisan action taken in the anti-recession field.

Second, I want to point out clearly that the majority leader has not reached any conclusion as to whether the committees must take action one way or the other. I have not even made a decision as to when a motion would be made, if it were to be made, to override the veto, after receiving the recommendations of the committee.

In fairness, I wonder if the minority leader has an open mind and if he still has under consideration the possibility that he might vote to override either veto.

Mr. KNOWLAND. I will say to the Senator that I would certainly always keep an open mind on any additional facts which might be presented.

Mr. JOHNSON of Texas. I think that will be encouraging to the farmers of the country and to the people who are concerned with these very important projects, because there is no member of this body who can have more influence on the outcome with regard to the veto messages than the able minority leader. I know when the people of America learn he has an open mind on these two subjects it will be heartening to them.

Mr. MANSFIELD. Mr. President, I note that the distinguished chairman of the Committee on Agriculture and Forestry [Mr. ELLENDER] is present in the Chamber. I should like to say to him what I have said before, which is this: Now that the President's veto message on the farm freeze resolution has been referred to the Committee on Agriculture and Forestry, it is my hope that a recommendation will come from the committee to the Senate that the Senate override the veto of the President of the United States.

Mr. ELLENDER. Mr. President, let me say to my good friend from Montana that it will be my purpose to call before the committee certain members of the Department of Agriculture to testify. I want some of the farm organizations to be represented before us.

During the recent Easter recess, I spent quite a few days traveling through Louisiana, talking to farmers, businessmen and others. I found that among rank-and-file members of the American Farm Bureau Federation, or,

rather, the Louisiana Farm Bureau Federation, which is associated with the American Farm Bureau Federation, there is much dissatisfaction with the national organization's view on the stop-gap farm bill. The Louisiana farmers with whom I spoke were 100 percent in favor of the bill. They could not understand why the national organization should oppose it, and after talking with these farmers, I wondered the same thing. Certainly, sentiment in my State is overwhelmingly in favor of overriding the President's veto.

I am of the opinion that the same situation prevails in many other States. In addition, I shall do my utmost to present a full and clear picture of the need for the bill, the desirability of the bill, when the appropriate time comes. I am going to give Senators only the facts. I am certain that once the facts are available, once we can wipe away the confusion and sloganeering which is the only real basis for the President's veto, then sufficient votes will be cast in favor of the bill to permit it to become law over the President's veto.

I do not know of any measure enacted in recent months which has been so misrepresented to the public as the joint resolution enacted by the Congress.

It has been called a freeze. As a matter of fact, it is not. It is merely an effort to hold the line, so as to avoid further beating down the prices which the farmers are now receiving. Unless the joint resolution is enacted, the result will be far less income to cotton farmers, rice farmers, and other farmers, as well.

It is my belief that the Secretary of Agriculture has made up his mind to further reduce acreage with respect to many of the commodities now eligible for price support. The result of such action would be less and less income to the farmer.

As I have pointed out on many occasions, today the farmers of the Nation are receiving, percentagewise, the lowest share of the national income in history. I believe that this is no time for us to adopt a farm program which would further depress farm income, as would the program submitted to the Congress earlier this year by the President.

I regard the stop-gap legislation which the President vetoed as a minimum. Of course, even this measure is not an end in itself. On the contrary, it would only provide a short-term floor beneath farm prices and acreage—a step which is urgently necessary. I am convinced that the Congress is not going to roll over and play dead at the administration's urging and provide the specific program the President has demanded. However, until we can reach agreement on a long-range farm bill, I believe our farmers need assurance that their prices are not going to be further cut, and their acreage further reduced. All the stop-gap farm bill vetoed by the President did was to give them that assurance.

Mr. MANSFIELD. Mr. President, it is also my hope that the Committee on Agriculture and Forestry will look into the reasons why, during the past 6 years, 600,000 families operating small-sized



farms have left the soil; and why, at the present time, 1,400,000 farm families are earning less than \$1,000 a year.

I, too, visited my home State during the Easter recess. The feeling in my State is one of deep uncertainty. There is at least a recession. The railroads are in bad shape. The mines are in bad shape. The woods operations are in bad shape. All the statements issued from Washington and Madison Avenue will not cure the ills which affect the country economically at the present time.

Congress has tried to take definitive action on a nonpartisan basis. With respect to most of the remedial measures, there have been as many votes for them on the other side of the aisle as there have been on this side.

There is no question of anyone's patriotism, but there is a question of how to go about meeting the recession, stopping it, or alleviating it in some way, so as to prevent a depression.

I know what conditions were like in the 1930's. I know what happened in my section of the country. I know what Stalin said at the close of the Second World War, and what Khrushchev has said since. They both confidently expected a depression in the capitalistic United States. They calculated that when such a depression arrived they would be able to make headway.

We must always remember that under no circumstances can this country afford a depression.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. DIRKSEN. Inasmuch as there is so much finality about the discussion, I see no reason why we should not consider the veto message today. I am prepared to do so.

Mr. MANSFIELD. So am I.

Mr. DIRKSEN. I am prepared to vote to sustain the President of the United States.

It has been said that a politician thinks of the next election, and a statesman thinks of the next generation. I think the President of the United States qualifies as a statesman. Not only is he thinking of present conditions, but he is looking down the road a little in the interest of the well-being of his country.

Mr. MANSFIELD. Mr. President, I was interested and impressed by what the distinguished Senator from Illinois [Mr. DIRKSEN], the minority whip, had to say. I express the hope that he will get together with his leader, so that we may bring up the omnibus rivers and harbors bill and the farm freeze bill, place them before the Senate, and seek a vote on the question of overriding the President's veto. I hope the minority whip will discuss this subject with the minority leader.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. KNOWLAND. I indicated to the distinguished majority leader that, of course, as we should all do, I would hold my mind open for additional testimony. However, I do not wish to have any misunderstanding on that point. Based

upon the facts at present available, I should expect to vote to sustain the veto of the President, both with respect to the agricultural measure and the rivers and harbors bill. Nevertheless, I shall await the hearings before the committees, as I think we all will.

Mr. MANSFIELD. The distinguished minority leader would be consistent in voting to uphold the President's veto of the farm-freeze measure. However, I am sure that he studied the omnibus rivers and harbors bill before voting in favor of it. Therefore, it seems to me that he would be inconsistent in voting to sustain the President's veto of that measure. I would naturally assume that, on the basis of his own judgment and his own responsibility to the people of California and of the Nation, he would vote to override the President's veto of that particular measure. However, we shall reach that question at the proper time.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. PROXMIRE. This is day of hope and gratitude for the people of Wisconsin. I am sure that if they could be present today they would say to the majority leader, "God bless you."

The fact that the President's veto of the farm price support measure is coming before the Committee on Agriculture and Forestry; the fact that the chairman of the Committee on Agriculture and Forestry has stated that hearings will be held; and the fact that a distinguished member of the committee on the Republican side has stated that he would be inclined to favor overriding the veto constitute very good news for the people of Wisconsin.

I make that statement to the distinguished Senator from Montana because of the fact that I have just visited my State. Not only the farmers, but the working people, the business people, the professional people, and all the other people of Wisconsin with whom I have talked recognize the tremendous importance to our State of overriding this veto if the farm economy of Wisconsin is to be saved.

#### EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

##### REPORT ON COOPERATION WITH MEXICO ON CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE

A letter from the Assistant Secretary of Agriculture, reporting, pursuant to law, that there have been no significant developments to report for the month of March relating to the cooperative program of the United States with Mexico for the control and the eradication of foot-and-mouth disease; to the Committee on Agriculture and Forestry.

##### STATISTICAL SUPPLEMENT TO STOCKPILE REPORT

A letter from the Director, Office of Defense Mobilization, Executive Office of the President, transmitting, pursuant to law, a secret statistical supplement to the stockpile report, covering the period from July to December 1957 (with an accompanying report); to the Committee on Armed Services.

##### REPORT ON NUMBER OF OFFICERS ASSIGNED TO PERMANENT DUTY AT THE SEAT OF GOVERNMENT

A letter from the Director, Legislative Liaison, Department of the Air Force, Washington, D. C., reporting, pursuant to law, that, as of March 31, 1958, there was an aggregate of 2,601 officers assigned or detailed to permanent duty in the executive element of the Air Force at the seat of government; to the Committee on Armed Services.

##### REPORT PRIOR TO RESTORATION OF BALANCES, DEPARTMENT OF AGRICULTURE

A letter from the Acting Secretary of Agriculture transmitting, pursuant to law, a report prior to restoration of balances, to the appropriation "Salaries and Expenses, Farmer Cooperative Service, 1957," as of March 31, 1958 (with an accompanying report); to the Committee on Government Operations.

##### STUDY ENTITLED "FINANCIAL AND ECONOMIC ANALYSIS, COLORADO RIVER STORAGE PROJECT"

A letter from the Secretary of the Interior, transmitting, pursuant to law, a study entitled "Financial and Economic Analysis, Colorado River Storage Project and Participating Projects, February 1958" (with an accompanying document); to the Committee on Interior and Insular Affairs.

#### PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on Interstate and Foreign Commerce:

"Resolutions memorializing the Congress of the United States to change the distribution formula for Federal aid for fisheries and game so as not to discriminate against large populations and limited land areas

"Whereas His Excellency, the Governor, in his annual message to the general court on January 1, 1958, stated: 'The present Federal formula for the distribution of Federal aid for fisheries and game discriminates against States with large populations and limited land areas. Massachusetts is one State so affected. This discrimination should be corrected'; and

"Whereas the operation of the present formula is unfair to the 300,000 citizens in Massachusetts holding fish and game licenses: Therefore be it

"Resolved, That the General Court of Massachusetts respectfully urges the Congress of the United States to enact legislation amending Federal aid in the Wildlife Restoration Act, Public Law 415 of the 75th Congress, and Federal aid in the Fish Restoration and Management Projects Act, Public Law 681 of the 81st Congress, by revising the distribution formula to 60 percent on the basis of population and 40 percent on the basis of area; and be it further

"Resolved, That copies of these resolutions be sent forthwith by the secretary of the Commonwealth to the presiding officer of each branch of Congress and to the Members thereof from this Commonwealth.

"House of representatives, adopted March 31, 1958.

"LAWRENCE R. GROVE,  
"Clerk.

"Senate, adopted in concurrence April 2, 1958.

"IRVING N. HAYDEN,  
"Clerk.

"Attest:

"EDWARD J. CRONIN,  
"Secretary of the Commonwealth."



Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on Labor and Public Welfare:

"Resolutions memorializing the Congress of the United States to extend and amend the Hill-Burton Act providing Federal aid for hospital construction

"Whereas His Excellency the Governor, in his annual message to the general court on January 1, 1958, stated, 'The Federal law providing for Federal assistance for hospital construction expires in 1958. I urge that you recommend that the operation of this law be extended'; and

"Whereas the basic distribution formula of the Hill-Burton Act, Public Law 725, should be reexamined in order to provide more fully for the hospital needs in States with a number of large cities and metropolitan areas: Therefore be it

"Resolved, That the General Court of Massachusetts respectfully urges the Congress of the United States to extend the provisions of Public Law 725, 79th Congress, and to amend its provisions so as to provide more fully for the hospital needs in States with a number of large cities and metropolitan areas; and be it further

"Resolved, That copies of these resolutions be sent forthwith by the State secretary to the presiding officer of each branch of Congress and to the Members thereof from this Commonwealth.

"House of representatives, adopted March 31, 1958.

"LAWRENCE R. GROVE,  
"Clerk.

"Senate, adopted in concurrence, April 2, 1958.

"IRVING N. HAYDEN,  
"Clerk.

"Attest:  
"EDWARD J. CRONIN,  
"Secretary of the Commonwealth."

A resolution adopted by the Ventura County Taxpayers' Association, Ventura, Calif., favoring the enactment of legislation to repeal excise taxes; to the Committee on Finance.

The petition of Eva Warschicka, of Heron Lake, Minn., praying for the enactment of legislation to abolish daylight saving time; to the Committee on Interstate and Foreign Commerce.

The petition of Eva Warschicka, of Heron Lake, Minn., relating to persons of old age, and so forth; to the Committee on Labor and Public Welfare.

#### MAILING OF OBSCENE LITERATURE—LETTER AND STATEMENT

Mr. HOBLITZELL. Mr. President, I ask unanimous consent that a letter which I have received from the Right Reverend Wilburn C. Campbell, D. D., bishop of the Episcopal diocese of West Virginia, concerning the mailing of pornographic, lascivious, and lewd literature, be printed in the RECORD and appropriately referred.

There being no objection, the letter was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

THE DIOCESE OF WEST VIRGINIA,  
Charleston, W. Va., April 15, 1958.

HON. JOHN D. HOBLITZELL,  
Senate Office Building,  
Washington, D. C.

MY DEAR SENATOR HOBLITZELL: I am writing to you as my Senator from West Virginia but more particularly because you are a member of the Postal Committee of the Senate.

The ever-increasing volume of pornographic, lascivious, and lewd literature that

floods the mail is not only a national disgrace but also is a definite moral menace to suggestible teen-agers and those adults whose emotional stability is easily threatened and whose sexual perversion is capable of being triggered.

The above paragraph abounds in sweeping generalities and grave charges. Although I do have a teen-age son, I do not write as a hysterical parent. As a clergyman and educator I have had wide experience in the field of counseling and am quite aware of the definite danger this type of literature presents to people. I am also a member of the West Virginia Crime and Delinquency Council of the National Probation and Parole Association. In this work I again have had firsthand knowledge of the harm that is being caused by the mail distribution of obscene and wanton literature.

May I earnestly request you to do all in your power to seek the passage of appropriate legislation which can effectively keep such literature out of our postal system and possibly curb and punish those who seek to pervert innocent victims.

Faithfully,  
WILBURN C. CAMPBELL,  
Bishop.

Mr. HOBLITZELL. Mr. President, I also present a copy of my statement to the Senate Judiciary Committee on this matter, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

#### STATEMENT BY SENATOR HOBLITZELL

As a member of the Post Office and Civil Service Committee I feel that it is one of my responsibilities to call to the attention of this committee the letter of Bishop Campbell, Episcopal diocese of West Virginia, who is regarded as one of the most outstanding church leaders in the sovereign State of West Virginia.

When the filth described by the bishop can be routed through the United States mail, then we have come to the point where it is mandatory that this body act in the name of common decency to protect our citizens from these merchants of depravity.

Several days ago one of my office assistants showed me a piece of literature that had been mailed to his home in West Virginia.

The envelope containing this shocking literature, which is too base for me to describe before this august body, was opened by my aide's wife. It could just as easily have been opened by one of his young children.

I am a mature man and feel that I have come into contact with many of the unpleasanties that go with life. But I can honestly say that I was soundly shocked at the thought that such lewd literature can be passed through the United States mail.

Mothers of the Nation are entitled to know that the Congress of the United States will take firm action to see that their children are not subjected to such trash, which could easily lend to corruption of youthful morals.

I want to thank Bishop Campbell for rendering his most sincere letter in this matter, and I hope it will serve to shock Members of this body into adopting legislation to protect the children of this Nation.

Further, I want to announce my wholehearted endorsement of Senate bill 3555, sponsored by Mr. THYE, which is now before the Committee on the Judiciary.

It is my sincere hope that this legislation will be brought before the Members of this body so they can take positive action during this session of the Congress.

I am secure in the knowledge that my esteemed colleagues will desire to go on

record as being ready to stop this flow of pollution from going into the homes of America through the United States mail.

#### BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. McNAMARA:

S. 3630. A bill to encourage the operation of marginal copper mines necessary to the national defense; to the Committee on Armed Services.

(See the remarks of Mr. McNAMARA when he introduced the above bill, which appear under a separate heading.)

By Mr. PURTELL:

S. 3631. A bill to authorize the construction of certain works for flood control on the Hall Meadow Brook, and East Branch of the Naugatuck River, and Mad River Dam in the State of Connecticut; to the Committee on Public Works.

(See the remarks of Mr. PURTELL when he introduced the above bill, which appear under a separate heading.)

By Mr. ANDERSON:

S. 3632. A bill to amend Public Law 85-162 to increase the authorization for appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. CHAVEZ:

S. 3633. A bill for the relief of Hong Ah Tak; to the Committee on the Judiciary.

#### RESOLUTIONS

##### FUNERAL EXPENSES OF THE LATE SENATOR W. KERR SCOTT, OF NORTH CAROLINA

Mr. ERVIN. Mr. President, I submit a resolution and ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. The resolution will be read for the information of the Senate.

The resolution (S. Res. 291) was read, as follows:

Resolved, That the Secretary of the Senate is hereby authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed to arrange for and attend the funeral of the Honorable W. KERR SCOTT, late a Senator from the State of North Carolina, on vouchers to be approved by the chairman of the Committee on Rules and Administration.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

##### PRINTING AS A SENATE DOCUMENT A STUDY ENTITLED "SCIENCE AND TECHNOLOGY ACT OF 1958"

Mr. McCLELLAN submitted a resolution (S. Res. 292), which was referred to the Committee on Rules and Administration, as follows:

Resolved, That the staff study entitled "Science and Technology Act of 1958" (S. 3126), prepared for the Committee on Government Operations, be printed as a Senate document, and that 5,000 additional copies be printed for the use of that committee.